

He completed specialized courses in taxation and received the degree of Master of Laws from the School of Law of New York University, in June 1940. Since the resignation of Collector Higgins, Mr. Johnson has served as acting collector.

In addition to this background of experience and legal scholarship, Mr. Johnson has been active in community affairs and national defense.

He served as regimental adjutant of the Three Hundred and Sixty-ninth Infantry, New York National Guard, converted and redesignated Three Hundred and Sixty-ninth Coast Artillery (AA), from November 1933 to December 1940, under four commanding officers. He holds the New York State Long and Faithful Service decoration for 10 years' service in the New York National Guard. He is a graduate of the National Guard and Reserve Officers Course, 1937, of the Infantry School, Fort Benning, Ga. Since the onset of World War No. 2, he has served as deputy warden and military aide of the thirty-second precinct of the New York City Civilian Defense Service. During 1942, with the assistance of volunteer instructors from the Fifteenth Regiment, New York Guard, he conducted an intensive course of basic military drill instruction for the air raid wardens of the thirty-second precinct.

Mr. Johnson is married and has been a resident of New York City since 1911. He is a former national president of Phi Beta Sigma Fraternity and among his affiliations are the American Legion, Veterans' Corps, Fifteenth Regiment, Harlem Lawyers Association, National Bar Association, Beaver Ramapo Democratic Club, Delta Sigma Kappa Fraternity, and the Revelle Club of New York.

The appointment of Mr. Johnson to head the second largest collection district in the country is a splendid and deserving recognition of the merit principle in advancement in Government administration. It reflects also, in these world-shaking times, the ever-increasing recognition of equality of opportunity in our national life, for all men and women of ability, regardless of race or color.

COLLECTOR OF INTERNAL REVENUE

The PRESIDING OFFICER. The clerk will state the next nomination on the calendar.

The legislative clerk read the nomination of Thomas M. Carey to be collector of internal revenue for the eighteenth district of Ohio.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. CONNALLY. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

Mr. CONNALLY. I ask that the President be immediately notified of all nominations confirmed today.

The PRESIDING OFFICER. Without objection, the President will be immediately notified.

That completes the calendar.

RECESS

Mr. CONNALLY. As in legislative session, I move that the Senate take a recess until tomorrow at 12 o'clock noon.

The motion was agreed to; and (at 4 o'clock and 51 minutes p. m.) the Senate

took a recess until tomorrow, Thursday, October 28, 1943, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate October 27 (legislative day of October 26), 1943:

PROMOTIONS, FOR TEMPORARY SERVICE, IN THE NAVY

Capt. Lawrence B. Richardson, United States Navy, to be a rear admiral in the Navy, for temporary service, while serving as Assistant Chief of the Bureau of Aeronautics, to rank from the 15th day of November 1943.

Capt. Timothy J. Keleher to be a rear admiral in the Navy on the retired list, for temporary service, to rank from the 11th day of June 1942.

IN THE MARINE CORPS

Stanley S. Nicolay, a naval aviator of the Marine Corps Reserve, to be a second lieutenant in the Regular Marine Corps in accordance with the provisions of the Naval Aviation Personnel Act of 1940, as amended, to rank from the 10th day of April 1941.

Frederick W. Riggs, Jr., a citizen of Massachusetts, to be a second lieutenant in the Marine Corps from the 1st day of December 1942.

The below-named citizens to be second lieutenants in the Marine Corps from the 7th day of August 1943:

John W. Southworth, a citizen of Oregon.

John F. Paul, a citizen of Iowa.

Ernest T. Savignano, a citizen of Massachusetts.

Hugh W. Breakenridge, a citizen of Iowa.

Robert "E" McDowell, Jr., a citizen of North Carolina.

CONFIRMATIONS

Executive nominations confirmed by the Senate October 27 (legislative day of October 25), 1943:

POST OFFICE DEPARTMENT

John J. Haggerty to be comptroller, Post Office Department.

THE JUDICIARY

UNITED STATES MARSHALS

John J. Barc to be United States marshal for the eastern district of Michigan.

Jack R. Caufield to be United States marshal for the district of Oregon.

COLLECTORS OF INTERNAL REVENUE

James W. Johnson to be collector of internal revenue for the third district of New York.

Thomas M. Carey to be collector of internal revenue for the eighteenth district of Ohio.

POSTMASTERS

ILLINOIS

Vernon F. Jones, Thawville.

OHIO

Ella M. Manson, Apple Creek.

Edgar K. Brown, Arcanum.

Jesse H. O'Roark, Covington.

Fred L. Diffenderfer, Greentown.

Howard J. Swearingen, Kensington.

O. Pauline Myers, Long Bottom.

Mary Doman, Lyndhurst.

Joann E. Johnston, Macedonia.

Frank W. White, Milford.

Mary C. Melody, New Paris.

Emma Duff, South Solon.

Robert S. McKelvey, Toronto.

Ellinor E. Arick, Valley City.

UTAH

Edna F. Nicholls, Farmington.

Reuben J. Peterson, Santaquin.

HOUSE OF REPRESENTATIVES

WEDNESDAY, OCTOBER 27, 1943

The House met at 12 o'clock noon.

Dr. Roland Q. Leavell, pastor, First Baptist Church, Tampa, Fla., offered the following prayer:

O God, our help in days past, our hope in years to come, our refuge from the stormy blasts, and our eternal home, Thou Lord God of all the earth, the Mighty Eternal Creator, the One in whom we live and move and have our being, we turn to Thee this day with gratitude in our hearts for Thy blessings and with petitions upon our lips for Thy gracious presence and providential power to rest upon us. We beseech Thee, Heavenly Father, for wisdom and guidance, and Thy love to be imparted to the Congress of the United States today, and to all of those who are in authority. Help us each to remember that when the righteous are in authority the people rejoice. May this be a glad day as we turn to Thee, and from Thee receive the spirit of sobriety and righteousness and godliness, both in our relationship to Thee and in our attitude and service toward our fellow man. We pray Thy blessing upon the nations of the earth; upon all the peoples who need Thy help. Hasten the day when the knowledge of the Lord shall cover the earth as the waters cover the sea, and Thy kingdom shall come and Thy will be done on earth as it is in heaven. And until that day help us to be faithful to our Lord and Master, Jesus Christ. We ask in His name that is above every name, and for His glory. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On October 15, 1943:

H. R. 3291. An act to amend the National Housing Act, as amended.

On October 18, 1943:

H. R. 305. An act for the relief of Howard Morgan;

H. R. 693. An act to amend the Pay Readjustment Act of 1942, approved June 16, 1942;

H. R. 938. An act for the relief of Mrs. Robert C. Anderson; and

H. R. 2250. An act to extend the provisions of the Reclassification Act of February 28, 1925, to include custodial employees in the Postal Service.

On October 19, 1943:

H. R. 128. An act to authorize a per capita payment of \$10 to the members of the Santa Clara Pueblo of New Mexico from funds on deposit to their credit in the Treasury of the United States;

H. R. 1222. An act for the relief of Jacob Wolozin;

H. R. 2649. An act to revive and reenact the act entitled "An act granting the consent of Congress to the State of Minnesota to construct, maintain, and operate a free highway bridge across the Mississippi River at or

near the village of Brooklyn Center, Minn.," approved April 20, 1942; and

H. R. 2734. An act for the relief of Kathleen B. Maier.

On October 21, 1943:

H. R. 304. An act for the relief of J. E. Martin.

On October 23, 1943:

H. R. 1869. An act authorizing the President to present, in the name of Congress, a Distinguished Service Cross to George F. Thompson; and

H. R. 3029. An act to authorize the adoption of a report relating to seepage and drainage damages on the Illinois River, Ill.

On October 25, 1943:

H. R. 533. An act for the relief of John P. von Rosenberg; and

H. R. 3230. An act to amend section 12 of the Naval Aviation Cadet Act of 1942.

On October 26, 1943:

H. R. 2838. An act relating to the application of the excess-profits tax to certain production bonus payments; and

H. R. 3208. An act to permit construction, maintenance, and use of certain pipe lines for steam-heating purposes in the District of Columbia.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 970. An act authorizing the Postmaster General to use post-office clerks and city letter carriers interchangeably.

EXTENSION OF REMARKS

(By unanimous consent, Mr. Ford was granted permission to revise and extend his remarks.)

NAVY DAY

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and in that time have the Clerk read a letter.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read as follows:

UNITED STATES FLEET,

HEADQUARTERS OF THE

COMMANDER IN CHIEF,

Washington, D. C., October 24, 1943.

The Honorable CARL VINSON,

Member of Congress,

Chairman, Committee

on Naval Affairs,

House of Representatives,

Washington, D. C.

MY DEAR MR. CHAIRMAN: Navy Day presents an opportunity, of which I am desirous of taking advantage, to send a message to the Members of Congress in appreciation of the hearty cooperation and support which they have given to the Navy since the outset of the war. The fact that the requests of the Navy have been acted upon promptly, unanimously, and without the slightest indication of partisanship, has been not only a source of encouragement to the personnel of the Navy, but has assured us that you have confidence in us and that the legislative branch of the Government is wholeheartedly behind us in our efforts to win the war.

It is a distinct privilege to take this opportunity to express, in the name of my fellow officers and of the enlisted men of the Navy, Marine Corps, and Coast Guard, our appreciation of your cooperation.

Your unflinching aid and support has been an inspiration, and when the history of this war is written, the record will show that the Navy's achievements have been, in great measure, brought about by the confidence

that the Congress has shown toward the Navy.

The Navy salutes the Members of the Congress as we march on together to what will be a complete victory and, we trust, a speedy one.

Sincerely yours,

E. J. KING,

Admiral, United States Navy; Commander in Chief, United States Fleet; and Chief of Naval Operations.

ORGANIZATION AND FUNCTIONS OF THE PUBLIC HEALTH SERVICE

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 400) for the organization and functions of the Public Health Service, with amendments.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. BULWINKLE]?

Mr. MICHENER. Mr. Speaker, reserving the right to object, as I understand, this bill is entirely noncontroversial.

Mr. BULWINKLE. It is.

Mr. MICHENER. And it has the unanimous support of the committee?

Mr. BULWINKLE. That is correct.

Mr. MICHENER. I see the gentleman from Illinois [Mr. HOWELL], a member of the committee, on the minority side.

Mr. HOWELL. It is true this bill has the unanimous support, not only of the subcommittee but of the full committee. That also applies to the amendment which is being offered.

Mr. MICHENER. Will the gentleman from North Carolina explain the bill?

Mr. BULWINKLE. I will be glad to. The bill is primarily for this purpose: The men in the Public Health Service, who are in the armed forces, are neither fish nor fowl. There are, at the present time, 468 officers with the Coast Guard, from the Public Health; 55 on duty with the Army; and the 24 additional officers are on foreign duty. If those men are killed in action, as they have been, they neither come under the military benefits, though they are serving in the military forces, nor do they come under employees' compensation. Five or 6 of them have been killed, and 6 of them have been captured in the Philippines and are now in prison. I think arrangements have been made to take care of the families of those 6 men now in prison. That is the amendment which was offered to the Senate bill, in order that we might do as required by the Budget during the war; not in emergency, but during this war.

Mr. CARSON of Ohio. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield.

Mr. CARSON of Ohio. Does that include any of the Red Cross field workers?

Mr. BULWINKLE. The Red Cross field workers do not come under the Public Health.

Mr. CARSON of Ohio. Are they not in the same position as the Public Health workers?

Mr. BULWINKLE. That may be, but I doubt if our committee would have jurisdiction of them. This is a Public Health Service bill.

Mr. MICHENER. In other words, this bill in no way affects Red Cross workers?

Mr. BULWINKLE. No, sir; it does not. I may say further, it does not create any new bureaus or anything like that.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield.

Mr. RANKIN. It in no way affects veterans' legislation?

Mr. BULWINKLE. No; it does not.

Mr. MICHENER. And it in no way affects the rights of the States?

Mr. BULWINKLE. No.

Mr. STEFAN. Will the gentleman yield?

Mr. MICHENER. I yield.

Mr. STEFAN. How many individuals will this affect?

Mr. BULWINKLE. At the present time there are about 13 officers that it affects. Of course, if some more are killed, they would come under this legislation.

Mr. STEFAN. As I understand, this amendment will put these Public Health officers on the same basis as enlisted men or commissioned officers in the Army?

Mr. BULWINKLE. If they are on duty with the armed forces; yes.

Mr. STEFAN. As I understand, they are not under the United States Compensation Act at all?

Mr. BULWINKLE. That is correct.

Mr. STEFAN. I understand a great many civilian employees working for contractors, for instance, at Wake Island, were under the United States compensation law and are getting compensation?

Mr. BULWINKLE. Yes.

Mr. STEFAN. I think the amendment is a very good one.

Mr. MICHENER. It must be a very good bill and amendment when the able Committee on Interstate and Foreign Commerce, which is generally very careful, very belligerent, and very controversial, comes in with a unanimous report. I am pleased to withdraw my reservation.

Mr. BULWINKLE. May I just say, Mr. Speaker, before the gentleman withdraws his reservation that the subcommittee had hearings on this subject under H. R. 6409, which is slightly different from S. 400. We decided then to recodify the whole Public Health law. It should be done, but on account of the emergency existing in this situation the subcommittee and the committee deemed it best not to go into that now.

Mr. MICHENER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That hereafter the Public Health Service in the Federal Security Agency shall consist of the Office of the Surgeon General, the National Institute of Health, and two bureaus, to be known as the Bureau of Medical Services and the Bureau of State Services. The Surgeon General of the Public Health Service, under the supervision and direction of the Federal Security Administrator, is hereby authorized and directed to assign to the Office of the Surgeon General, to the National Institute of Health, and to the two bureaus, respectively, the several functions of the Public Health Service, and to establish within the

Office of the Surgeon General, the National Institute of Health, and the two bureaus, respectively, such divisions, sections, and other units as may be required to perform their functions; and, under such supervision and direction, he may abolish existing divisions, sections, and other units, and, hereafter, may establish, transfer, and consolidate divisions, sections, and other units and reassign their functions for the efficiency of the Service.

SEC. 2. The Director of the National Institute of Health and the chiefs of each of the bureaus, established by section 1 of this act, and the officer assigned as Chief Medical Officer of the United States Coast Guard, shall be commissioned medical officers detailed by the Surgeon General from the regular corps, and while so detailed shall be Assistant Surgeons General and shall have the same grade and shall receive the same pay and allowances as the Assistant to the Surgeon General.

SEC. 3. When commissioned officers below the grade of medical director are detailed by the Surgeon General from the regular corps to serve as chiefs of divisions, not more than six of such officers at one time while so detailed shall have the temporary grade and receive temporarily the pay and allowances of a medical director; and there is authorized to be established in the Office of the Surgeon General a Dental Division and a Sanitary Engineering Division; the chief of each such Dental and Sanitary Engineering Division shall be a commissioned dental officer and a commissioned sanitary engineer officer, respectively, of the regular corps detailed by the Surgeon General, and while each such dental and sanitary engineer officer is so detailed, he shall have the grade, pay, and allowances of an Assistant Surgeon General as provided by section 2 of this act.

SEC. 4. In time of war or national emergency determined by the President, any commissioned officer of the regular corps of the Public Health Service may be appointed to higher temporary grade with the pay and allowances thereof without vacating his permanent appointment, and any officer so promoted to a higher grade at any time after December 7, 1941, shall be deemed for all purposes to have accepted his promotion to higher grade upon the date of approval, unless he shall expressly decline such promotion, and shall receive the pay and allowances of the higher grade from such date unless he is entitled under some other provision of law to receive the pay and allowances of the higher grade from an earlier date. No such officer who shall have subscribed to the oath of office required by section 1757, Revised Statutes, shall be required to renew such oath or to take a new oath upon his promotion to a higher grade, if his service after the taking of such an oath shall have been continuous. Hereafter reserve officers of the Public Health Service may be distributed in the several grades without regard to the proportion which at any time obtains or has obtained among the commissioned medical officers of such Service. For the duration of the present war and for 6 months thereafter graduates of reputable osteopathic colleges shall be eligible for appointment as reserve officers in the Public Health Service.

SEC. 5. The record of each commissioned officer of the regular corps initially appointed above the grade of Assistant Surgeon, after the first 3 years of service in such grade, shall be reviewed under regulations approved by the President, and any such officer who is found to be unqualified for further service shall be separated from the Service and paid 6 months' pay and allowances.

SEC. 6. In case of the absence or disability of the Surgeon General and the Assistant to the Surgeon General, or in the event of a vacancy in the office of both, the Assistant

Surgeons General shall act as Surgeon General in the order of their designation for such purpose by the Surgeon General.

SEC. 7. Section 9 of the act of April 9, 1930 (U. S. C. 42, sec. 37; 46 Stat. 151), is hereby amended by the addition of the following language at the end of said section:

"(d) Original appointments in the commissioned corps of the Public Health Service, regular and reserve, may be made to a junior grade which shall correspond to that held by a second lieutenant in the Medical Department of the Army and persons so appointed shall be entitled to the same pay and allowances as a second lieutenant in the Medical Department of the Army. After not less than one nor more than 2 years of service each such appointee in the regular corps may be examined under regulations prescribed by the President and upon such examination shall either be promoted to the grade of assistant surgeon or be separated from the Service."

SEC. 8. Commissioned officers of the Public Health Service, regular and reserve, shall be entitled to the same pay, allowances, and all other rights, benefits, and privileges, now or hereafter authorized or provided for officers of corresponding grade (and their surviving dependents) of the Medical Corps of the Army, regular and reserve, respectively, including but not limited to burial payments, death benefits, pensions, retirement, insurance, disability and survivors' benefits, civil reemployment rights, civil liability, travel and other allowances, including allowances of military attachés of corresponding grades while serving as public health attachés with the State Department at foreign posts; and all commissioned officers of the Public Health Service detailed for duty with the Army or Navy under provisions of law shall be held and considered to be in the active military service of the United States, and such officers while so detailed shall be subject to all of the laws and regulations now or hereafter operative for the government of the respective services to which they are detailed: *Provided*, That this section shall apply in like manner to commissioned officers of the Public Health Service, regular and reserve, and to their surviving dependents, if any, who were serving outside of the continental limits of the United States on December 7, 1941, or who since December 7, 1941, have been made prisoners of war or who have been disabled or who have lost their lives while on active duty, and: *Provided further*, That all commissioned officers of the Public Health Service not detailed for duty with the Army or Navy as above provided shall continue to serve under the direction and control of the Surgeon General of the Public Health Service unless specifically detailed for duty with another executive department or independent establishment in accordance with provisions of law.

SEC. 9. This act may be cited as the "Public Health Service Act of 1943." For the purpose of any reorganization under section 1 of this act the Federal Security Administrator, with the approval of the Director of the Bureau of the Budget, is hereby authorized to make such transfer of funds between appropriations as may be necessary for the continuance of transferred functions.

With the following committee amendments:

Page 5, strike out beginning with line 12, down through line 19 on page 6, and insert in lieu thereof the following:

"SEC. 8. (a) For the purposes of this section—

"(1) The term 'full military benefits' means all rights, privileges, immunities, and benefits provided under any law of the United States in the case of commissioned military and naval personnel of the United States (including their surviving beneficiaries) on ac-

count of active military or naval service, including, but not limited to, burial payments in the event of death, six months' pay and allowances in case of death, veterans' compensation and pensions and other veterans' benefits, retirement, including retirement for disability, the rights provided under the Soldiers' and Sailors' Civil Relief Act, as amended, the National Service Life Insurance Act as amended, travel allowances, including per diem allowances for travel without regard to repeated travel between two or more places in the same vicinity, allowances for uniforms, exemption of certain pay from Federal income taxation, and other benefits, privileges and exemptions under the Internal Revenue laws.

"(2) The term 'limited military benefits' means full military benefits, except veterans' compensation and pensions and other veterans' benefits, and eligibility under the National Service Life Insurance Act, as amended.

"(b) Beginning with the date of enactment of this act, commissioned officers of the Public Health Service, regular and reserve (including their surviving beneficiaries)—

"(1) In time of war, shall be entitled to limited military benefits with respect to all active service in the Public Health Service.

"(2) While such officers are detailed for duty with the Army, Navy, or Coast Guard, shall be entitled to full military benefits with respect to such duty.

"(3) While such officers are serving outside the continental limits of the United States or in Alaska in time of war, shall be entitled to full military benefits with respect to such service.

"(c) In time of war, the President may by Executive Order declare the commissioned corps of the Public Health Service a part of the military forces of the United States and provide the extent to which it shall be subject to the Articles of War and the Articles for the Government of the Navy. Upon the issuance of such an Executive Order, all commissioned officers of the Public Health Service, regular and reserve (including their surviving beneficiaries, shall be entitled to full military benefits with respect to active service rendered while the Public Health Service is a part of the military forces of the United States.

"SEC. 9. Commissioned officers of the Public Health Service, regular and reserve (including their surviving beneficiaries), shall be entitled to receive the same benefits for injury or death in the performance of their duties as civil officers and employees of the United States under the United States Employees' Compensation Act of September 7, 1916, as amended: *Provided*, That any such officer or beneficiary of such officer eligible to receive any benefit authorized by this section who is also eligible to receive any payment or benefit (except the proceeds of any insurance policy) under any provision of law other than such act of September 7, 1916, as amended, on account of the same injury or death, shall elect which benefit he shall receive.

"SEC. 10. The surviving beneficiaries of any commissioned officer of the Public Health Service, regular or reserve, who, since December 7, 1941, and prior to the enactment of this act, has lost his life while on active duty in the Public Health Service or while detailed to the Army, Navy, or Coast Guard, shall receive 6 months' pay and allowances as provided in the act of June 4, 1920, as amended (U. S. C., 1940 ed., sup. II, title 34, sec. 943), and, unless entitled to compensation under the laws administered by the Veterans' Administration, shall receive the benefits provided under section 9 of this act."

Page 6, line 20, strike out "9" and insert "11."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title of the bill was amended so as to read: "An act relating to the organization and functions of the Public Health Service, and for other purposes."

Mr. KENNEDY. Mr. Speaker, I ask unanimous consent to extend my remarks on the bill S. 400 and that these remarks appear in the proceedings in connection with the consideration of the bill.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. KENNEDY. This bill which has just been presented to the House by the unanimous consent of the membership and adopted by a unanimous vote is intended to correct certain inequalities and defects in the existing Public Health Service as well as to adapt other features presently in the law to war purposes. For those reasons, I am in favor of the bill.

On the grounds that the bill may be regarded a war measure, I did not offer any objection to its immediate consideration but I do not approve of all of the provisions of the bill. However, the operation of the bill is limited to a date not later than 6 months after the war.

I direct attention to section 4 of the bill. On line 5, page 4, is found the following language:

For the duration of the present war and for 6 months thereafter, graduates of reputable osteopathic colleges shall be eligible for appointment as reserve officers in the Public Health Service.

I seriously questioned the wisdom of including osteopaths in this bill because it presumably places the imprimatur of the Congress upon the campaign of the doctors of osteopathy to be recognized as the professional equals of the doctors of medicine. We all know that the requirements for admission to a college of osteopathy and the course of study and training at those colleges do not remotely compare with the entrance requirements and medical training of the average medical school. This provision was not requested by the Public Health Service and as a matter of fact I believe it is unsatisfactory to that Service. The osteopaths were included in this bill in another body without the advice and consent of the Surgeon General.

The dictionary defines osteopathy in these terms:

A system of the art of healing which emphasizes the power of the body to heal itself, and whose therapy majors in manipulation.

I will admit that osteopaths do good work and help patients suffering from those ailments that osteopaths are permitted and eligible to treat. But I cannot and will not admit that most of the ills from which our armed forces suffer requiring treatments, involving serious surgical operations, are usual to the practice of an osteopath. I think it unwise to dignify a person with such limited training and experience with a commission and a rank equal that of a doctor of medicine.

There is no intention on my part to reflect in any way upon the fine character and ability of that vast army of fine men and women who are engaged in the field of osteopathy. I congratulate every citizen, especially those ministering to the sick, for the work he is doing to win the war. At this time, we should not lose sight of the fact that our action here, today, might be asserted as a reason why, in other official circles, a diploma in osteopathy should be given the same weight and rating as a diploma in medicine.

I know it is the view of practically every member of the Committee on Interstate and Foreign Commerce, in voting to report this bill to the House, containing legislation which is urgent, that the vote was cast upon the basis of compromise with another body on the osteopath section of the bill, and not because the committee members favored the bill in its entirety.

I am sorry that the time element made it necessary to rush this bill through the House, but on the basis of the emergency I presume we must bow to expediency.

It is my most fervent hope that the Surgeon General of the United States will administer this act, particularly the section relating to osteopaths, in his usually competent and realistic manner.

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks by inserting a letter from Dr. Parran in regard to this bill.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The letter referred to follows:

OCTOBER 26, 1943.

Hon. A. L. BULWINKLE,
House of Representatives,
Washington, D. C.

DEAR MR. BULWINKLE: As the war progresses it becomes increasingly urgent that the Public Health Service have the benefit of the additional legislation contemplated in your bill, H. R. 3379, and in S. 400. While the more complete codification of the Public Health Service laws as contemplated in H. R. 3379 is highly desirable, some of our legislative needs are so urgent that I hope your committee will give consideration to the possibility of the prompt passage of S. 400.

You will recall that in testimony before your subcommittee on H. R. 649 I pointed out the need for reorganizing and simplifying the administrative structure of the Public Health Service. I also pointed out the fact that Public Health Service officers were serving on several of the battle fronts with our armed forces, and that an increasing number are on active and very hazardous duty with the Coast Guard, both on Coast Guard cutters and on landing barges. Yet our officers on these assignments do not have a clearly defined status under present law and there is some doubt as to whether or not their surviving dependents are entitled to benefits which accrue to surviving dependents of Army, Navy, and Coast Guard personnel.

Moreover, a considerable number of our medical and sanitary engineering officers are serving in the war zones but are not attached to the military forces. This is particularly true of a group of officers serving in north Africa and Italy on assignment to the State Department for epidemic control and health duties in connection with the civil population of occupied areas. These officers have absolutely no protection for themselves or their families. In fact, our regular officers, under present law, who are in this status are

excluded from both the benefits available to the military forces and to civil employees under the provisions of the United States employees' compensation laws.

The surviving dependents of none of our officers are entitled to the 6 months' pay and allowances which is provided by law for all of the other services (including the Coast and Geodetic Survey) paid in accordance with the provisions of the Joint Service Pay Act. As a result of war casualties several very pathetic cases have developed in which widows and children are left destitute. These cases are important in themselves. Moreover, failure of the Congress to provide some protection for them creates, as you well appreciate, a growing problem of morale which affects the whole corps. Our officers are subject to orders and must serve wherever assigned on any duty no matter how hazardous. They are doing this cheerfully, but in fairness to them, I feel I should bring to your attention the need for providing some measure of protection for them and their families in the event of disability or death in line of duty.

It is believed that section 8 of S. 400 needs revision in order to limit the benefits provided therein, so as to bring such benefits into accord with the statement of policy expressed by the Director of the Bureau of the Budget in his letter to the Administrator of the Federal Security Agency, a copy of which is on file with the chairman of the Committee on Interstate and Foreign Commerce.

Your continued sympathetic interest in the problem facing the Public Health Service is deeply appreciated.

Sincerely yours,

THOMAS PARRAN,
Surgeon General.

HOSPITAL FACILITIES FOR VETERANS

The SPEAKER. The Chair recognizes the gentleman from Kentucky.

Mr. MAY. Mr. Speaker, I present a report from the House Committee on Military Affairs on House Resolution 328.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

Resolved, That the President is hereby requested to furnish the House of Representatives with the following information:

(1) The number of beds now available in all hospitals under the jurisdiction of the United States or the District of Columbia, or in private institutions under contract with the United States, and the number of bed patients in such hospitals;

(2) The number of beds to be available in hospitals now under construction by the United States, together with the approximate dates on which such hospitals will be placed in service;

(3) Plans for future construction of Government hospitals; and

(4) The maximum number of war casualties which it is estimated must be hospitalized at any one time.

Mr. MAY. Mr. Speaker, I ask unanimous consent that the committee report may be read.

The SPEAKER. Without objection, the Clerk will read the committee report.

There was no objection.

The Clerk read as follows:

REPORT NO. 803 TO ACCOMPANY HOUSE RESOLUTION 328

The Committee on Military Affairs to whom was referred the resolution (H. Res. 328) requesting certain information from the President with respect to Government hospitals having considered the same, submit the following report thereon, with the recommendation that it be laid upon the table.

Your committee, having had under consideration House Resolution 328 (a privileged resolution), and having heard testimony

thereon, recommends to the House that the resolution be tabled.

The War Department produced testimony in answer to the numerous questions propounded in the resolution, and the other departments of Government concerned who were called upon for a report, have filed with the House Military Affairs Committee detailed information and answers to the various questions which reports are on file in the records of the committee and available for consideration and study by all Members of the House of Representatives.

The facts called for in the resolution and disclosed by the testimony before the committee by a witness on behalf of the War Department are of a confidential character and not for publication.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MAY. I yield.

Mrs. ROGERS of Massachusetts. I understand this report is available to all Members of the House.

Mr. MAY. It is in the committee files.

Mrs. ROGERS of Massachusetts. That is all I wanted, Mr. Speaker. I felt that the Members should know exactly how many beds were available now and how many beds would be available in the future because we must see that the veterans returning have an adequate number of beds as they come back and that we are building enough hospital facilities for the future. I congratulate the Committee on Military Affairs.

Mr. MAY. I am sure that information will be available.

Mr. Speaker, I move to lay the resolution on the table.

The motion was agreed to, and the resolution was laid on the table.

EXTENSION OF REMARKS

Mr. J. LEROY JOHNSON. Mr. Speaker, several days ago I was granted permission to insert in the RECORD a speech by the commander of the American Legion. I am advised by the Public Printer that it exceeds the 2-page limit, that it will cost \$112.50 to print. I renew my request notwithstanding the fact it exceeds the limit.

The SPEAKER. Without objection, the matter may be printed.

There was no objection.

Mr. ROLPH. Mr. Speaker, I ask unanimous consent to extend my own remarks on two subjects, in one to include an editorial in connection with harmonious labor conditions in San Francisco, and in the other matter in connection with the oil situation.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MASON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the subject of the renegotiation of war contracts and to include therein two letters and a short article on the same subject.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SCRIVNER. Mr. Speaker, I ask unanimous consent to extend by own remarks in the RECORD and include a condensation of an address given before the American Bankers' Association.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CZECHOSLOVAKIAN INDEPENDENCE

Mr. STEFAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska [Mr. STEFAN]?

There was no objection.

Mr. STEFAN. Mr. Speaker, tomorrow, October 28—Czechoslovakian Independence Day—is an occasion for an understanding examination of the accomplishments of this valiant and progressive nation.

During 4 years of Nazi occupation, the Czechoslovak Republic has never ceased to exist de jure for the United States. At this very moment Czechoslovakia maintains accredited representatives in this country.

Thomas G. Masaryk, together with other Czechoslovakian leaders, brought forth the Czechoslovakian Declaration of Independence at Washington, D. C., on October 18, 1918. Later, on October 28, 1918, the Washington declaration was officially proclaimed in Prague. But even before the Washington declaration, Americans who shared Masaryk's proud traditions as well as his ancestry contributed to the greatness of the United States. Men and women who were born in the land of Masaryk have tilled American soil, developed American business and industry, and fought and died to perpetuate the American spirit of liberty.

Throughout almost 21 years of peaceful relations between the United States and the Czechoslovak Republic—prior to the Nazi invasion—the people of the Czechoslovak nation have impressed their friends in the United States with their high standard of decency and justice and the fair treatment of minorities.

When the Nazis invaded Czechoslovakia, those of us who knew the dauntless courage of her people realized that the Nazis might occupy the lands, but that they could never overpower the free will of Czechoslovaks. How well were our expectations attained! No matter what burdens of toil and torture were heaped upon them, the Czechoslovaks fought back. They fought back with every weapon at their disposal. In spite of all that Heydrich and Himmler could do to make life unendurable and death painful, the unwavering patriotism of the Czechoslovak people has survived. It strikes at the invader from the farms of Bohemia and Moravia, where Czechoslovak farmers hide their harvest or destroy it rather than have it fall into the hands of their oppressors. It strikes at the invader in the form of sabotage of locomotives, telegraph wires, and war production plants. Thousands have died for this resistance. Still it goes on. It is going on today within Czechoslovakia.

On the fighting fronts Czechoslovaks are arrayed against their Nazi foes. Czechoslovaks fought gallantly at To-

bruk. Czechoslovak pilots have escorted American bombers on missions over Germany. In many parts of the world Czechoslovaks fight for the same God-given liberties which inspire our own countrymen to battle.

On Czechoslovakian Independence Day—October 28, 1943—we of the United States honor our brave ally of Czechoslovakia, our sister republic, a land in which even the children are heroes.

PERMISSION TO ADDRESS THE HOUSE

Mr. KEEFE. Mr. Speaker, at the conclusion of the other special orders today I ask unanimous consent to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. KEEFE]?

There was no objection.

CZECHOSLOVAKIAN INDEPENDENCE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts [Mrs. ROGERS]?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I join with the very able Member from Nebraska [Mr. STEFAN] in his tribute and in his expression of deep affection and high regard for Czechoslovakia. There is no more able Representative in the House than the gentleman from Nebraska [Mr. STEFAN]. We all know of his deep study of international questions.

I feel we owe a debt of gratitude to him for his many speeches in this House on the subject of Czechoslovakia and the Czech people. He has not only kept us well informed of conditions that exist in the district in Nebraska which he so well represents, but also regarding the conditions of the Czech people whom he knows and in whose welfare he is so deeply interested, both in the United States and Czechoslovakia. He is a member of the very powerful House Committee on Appropriations. With his fine knowledge of foreign countries, he has been an active and helpful influence in securing appropriations for our Foreign Service.

We know of President Masaryk's stay in the United States, we know of his admiration for our country, and we have a great admiration for him and his country. It was my privilege to know his son, Jan Masaryk, who was chargé d'affaires at the last World War period. As an indication of the friendliness and interest that he and his country showed for the United States, he discovered that the wounded World War veterans at a certain hospital liked red roses; so he used to send me at intervals red roses to take to our wounded veterans. That is typical of the kindness and friendliness of the people of Czechoslovakia. I want to pay high tribute to their courage and their wish for a government which is as free as ours, and I hope that that freedom may come soon.

EXTENSION OF REMARKS

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the Record.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. ANDREWS]?

There was no objection.

Mr. HOLMES of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include part of an interview printed in the Youngstown Vindicator with our colleague the gentleman from Ohio [Mr. KIRWAN].

The SPEAKER. Is there objection to the request of the gentleman from Washington [Mr. HOLMES]?

There was no objection.

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota [Mr. MUNDT]?

There was no objection.

A SPEECH WHICH ALL SHOULD READ

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota [Mr. MUNDT]?

There was no objection.

Mr. MUNDT. Mr. Speaker, I take this opportunity to call to the attention of the Congress and the country a very important speech which appears in the Appendix of the Record at page A4484. In recognition of the significance of this speech, it was inserted in the Record by the gentleman from Pennsylvania, Hon. HARVE TIBBOTT. It is a broadcast delivered by the gentleman from Indiana, Hon. GERALD W. LANDIS, on the subject of The Great Food Muddle.

This speech is replete with important facts on one of the most serious problems confronting the country today. The gentleman from Indiana [Mr. LANDIS] deserves the commendation of the country for having brought this matter to our attention in this way. I feel that his great work in helping to straighten out this food muddle and in reducing the waste of foodstuffs ranks with the remarkable work of the gentleman from Michigan [Mr. ENGEL] in bringing about a reduction in other Government extravagances. I hope that insofar as the CONGRESSIONAL RECORD circulates, every citizen will have the opportunity to read this revealing speech by our distinguished colleague the gentleman from Indiana [Mr. LANDIS], who is one of the most active members of the special Republican food-study committee.

EXTENSION OF REMARKS

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that the gentleman from Vermont [Mr. PLUMLEY] may extend his own remarks in the Record; second, that the gentleman from Michigan [Mr. HOFFMAN] may extend his remarks in the Record; and third, that the gentleman from New Jersey [Mr. CAN-

FIELD] may extend his own remarks in the Record and include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. MICHENER]?

There was no objection.

ADDRESS OF MAJORITY LEADER ON NAVY DAY

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that the majority leader the gentleman from Massachusetts [Mr. MCCORMACK] who is going to make a Navy Day speech today may precede all other special orders.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. MICHENER]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent to address the House today after the other special orders heretofore granted have been disposed of for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Georgia [Mr. VINSON]?

There was no objection.

REVISION OF POSTAL RATE STRUCTURE

Mr. HARTLEY. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey [Mr. HARTLEY]?

There was no objection.

Mr. HARTLEY. Mr. Speaker, yesterday afternoon the press and radio reported that the Ways and Means Committee of the House had undertaken to revise the postal rate structure. As ranking minority member of the Post Office and Post Roads Committee may I say that I resent this action.

Early in the present Congress I introduced a resolution calling for the examination of the entire postal rate structure. Subsequent to that the chairman of our committee the gentleman from Virginia [Mr. BURCH] requested a survey by the Post Office Department so that we might do the job in an efficient, intelligent manner. Up to the moment this report has not been received; therefore I doubt that any revision which the Ways and Means Committee may make at the present time is being done in a comprehensive manner and with full knowledge of all the facts and issues involved.

I hope we are not developing here in the House a group of "superduper" committees that are going to invade the prerogatives of established committees of the House. In my opinion, if the postal rates are to be revised, they should be revised by the House Committee on the Post Office and Post Roads.

The SPEAKER. The time of the gentleman has expired.

TERMINATION OF WAR CONTRACTS: "LET US NOT BE PENNY-WISE AND POUND-FOOLISH"

Mr. DEWEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DEWEY. Mr. Speaker, I wish to speak to you in regard to a subject that will face the thousands of our industries, and in particular the smaller ones, at the termination of the war; namely, "working capital" with which to convert to peacetime production, thereby helping to solve the difficult problem of unemployment that will face the country during the transition period.

For six weeks the Ways and Means Committee listened to witnesses from every type of industry and from every section of the Nation. Naturally, there were numerous complaints as to the arbitrary manner in which contracts were renegotiated with resultant reduction of expected profits. However, what seemed to be universally feared was that renegotiation before taxes, as practiced, did not allow the setting up of post-war reserves as provided in the 1942 tax bill.

Many small and middle-sized companies, under urge from the War or Navy Departments, are producing five or six times their pre-war output. Part of the working capital for this increased output has been supplied by Government guaranteed loans, but in most cases the company's own working capital has, in one way or another, become involved in the war effort, and is no longer available in the form of cash which will be so required for reconversion purposes once the war ends.

It is my belief that the Ways and Means Committee will give consideration to actually providing post-war reserves for companies that have been renegotiated. This was intended in the 1942 tax bill. The question that will shortly be before this House, and of even greater importance, if possible, than reserves, is the termination of war contracts and the settlement of the Government's liability thereunder in a speedy and definite manner.

Before giving consideration to accounting and legal details involved in the cancellation of war contracts, the Congress should give thought to the over-all subject of reconversion back to peacetime economy and how important to this reconversion is the proper handling of the question of termination of contracts.

It is my personal opinion that the war contracts belong to the war era and their speedy settlement will serve to bridge the gap between industry's war operations and industry's reconversion back to peacetime pursuits, which will provide sufficient jobs to absorb our present labor force, as well as providing jobs for our returning soldiers.

War is destructive. It is a destroyer of men we can never replace and we will never forget those who have given their lives in the service of their country. War is a destroyer of materials. Because we realize this we accept with as much equanimity as possible the loss of ships and guns and airplanes. Yet, except in the case of dereliction in duty, none of us would recommend a repayment by an

officer in charge of material lost or destroyed. If my premise that war contracts are part of the war era is correct, I think that we must approach contract cancellation with a certain openness of mind.

Our industries, like our soldiers and their officers, have done a monumental job, but once the guns stop firing another and equally important responsibility will face them. I have full confidence that with the same genius with which they converted from peace production to the manufacture of the materials of war, which caused our Army and Navy to be the best equipped in the history of all wars, and also provides supplies so liberally to our allies—with this same genius American industry will convert back to peace. To do this they must quickly settle old scores, have their working capital which is tied up in war inventories released to them in cash, and, above all, be assured that, except in the case of fraud or misstatement, a settlement is a settlement.

During the summer months and at the time of the hearings on renegotiation of contracts I had the occasion to talk to both procurement officers and contractors who had been renegotiated. From these conversations I came to two conclusions: First, that the procurement officers, after 2 years of experience, were a pretty competent lot and capable of doing a good job of cost accounting; second, that where contracts were terminated, and over 10,000 have so far been terminated by the War Department alone, the complaint seemed to be a lack of liberality and a close-fistedness on the part of the Government. This is a good sign as far as the general taxpayer is concerned. On the other hand, the contractor, who is also a citizen and a taxpayer and the provider of jobs, must have the right of appeal to a court or to special courts. In such a case not only justice but speed should be of the essence.

On October 15 Judge Patterson, Under Secretary of War, appeared before the House Military Affairs Committee. I feel that his statement, together with the draft of a bill for the termination of contracts, deserves the study of every Member of this body. I, myself, am deeply interested because of my membership on the committee that writes our tax legislation. Without fear of serious contradiction I can assure you, my colleagues, that unless we assume a broad-minded attitude on this subject of termination and are willing to admit in advance that there will be some inequalities and that some "chiselers" will "chisel," settlement of war contracts will be delayed due to trying to establish the last penny of claim. Delay will cause uncertainty as to the amount of working capital the company will really have available, which in turn will cause hesitation on the part of industry to undertake new commitments. As a result, business activity will decline, unemployment will develop, and you and I, my brothers, will have to appropriate funds for unemployment relief far in excess of any amount that might be lost to the Government through quick and final set-

tlement of war contracts. Let us strive to avoid any "penny wise, pound foolish" policy.

During the hearings on renegotiation of war contracts, complaint was expressed that the procurement officers and renegotiators had no definite set of regulations on which settlements were based. Apparently this objection has been recognized, as the Under Secretary in his statement of October 15 recommends the creation of an interdepartmental committee to adopt uniform regulations for termination of contracts. Based upon these regulations, together with the experience gained by procurement officers in making contracts and later on renegotiating them, there should be no great difficulty in arriving at a negotiated agreement for cancellation.

The bill offered by the War Department provided for partial payments on account of contract termination prior to final settlement up to 90 percent of the certified claim. Payment may be made to the prime contractor or directly to a subcontractor. This is a most important feature of the bill and will bring quick relief to many small companies whose financial set-up might not be sufficiently strong to await a termination of settlement of its prime contractor. Provision is made in the bill to charge 6 percent interest on any overpayment and to have the overpayment considered as a loan callable on demand.

The bill also contains provisions for financing reconversion requirements through commercial bank loans guaranteed by designated departments of the Government when necessary. Personally, I believe that the system of government guaranty should be eliminated as rapidly as possible. The commercial banks of the country are in a strong position as far as commercial loans are concerned. This will afford them the opportunity to get back into the banking business and, in cooperation with investment banking houses, help finance the return to post-war peacetime economy.

There remain two important items of the War Department bill and Judge Patterson's statement. The bill authorizes advance or partial payments to contractors in settlement of termination claims. It is my belief that these payments should be mandatory upon the presentation of a certificate or sworn statement of the contractor which he has drafted and based upon the aforementioned interdepartmental committee uniform regulations. These payments which are in the nature of a loan without interest would, of course, be liquidated by payments received in settlement. Any overpayment or excess loan should bear 6 percent interest until repaid, and be callable upon demand.

The final item and one that will probably cause considerable discussion is the right of the Comptroller General to post audit all settlements.

Judge Patterson, in his statement, quotes authority for his belief that the procurement departments may make contracts as well as terminate them without independent review. Not being a lawyer, I would scarcely have the pre-

sumption to pass upon the legal merits of the question as they exist. I do, however, have a very profound conviction that the only way of preventing our national economy from going into a tail-spin is by a quick reconversion of industry back to peacetime pursuits. This absolutely cannot be done if any fear exists in the minds of businessmen that the termination contract they have made is not final, and that there is a chance that the money they are using to start a new peacetime venture and pay the wages of their workmen may be taken from them due to a post audit by an independent bureau of the Government.

During the past 7 weeks or more I have listened as a member of the Ways and Means Committee to the testimony of many witnesses. I have heard the industries of our great country black-guarded as being selfish and greedy; I have heard them extolled. After all, and with considered thought, I believe American industrial management is 99½ percent what we are proud it is—fighters, full of manufacturing genius, leaders in social welfare due to enlightened self-interest, and last but not least, the people who have built our great country and given jobs at the highest wages ever known to countless thousands and who, if given a chance, will provide opportunity to our returning soldiers and sailors.

Let us not be penny-wise and pound-foolish.

COMMITTEE ON RIVERS AND HARBORS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the Committee on Rivers and Harbors be permitted to sit during the session of the House this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

THE CONNALLY RESOLUTION

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, a certain element of the radical press, including PM, the uptown edition of the Communist Daily Worker, is now lambasting certain Members of the United States Senate, including our former distinguished colleague, Senator CONNALLY, of Texas, chairman of the Committee on Foreign Affairs, for bringing out a resolution that, in my opinion, more nearly expresses the will of the American people than anything that has yet been suggested. The so-called Fulbright resolution was not submitted to the House for amendments, but was rushed through under suspension of the rules, which deprived us of any opportunity to amend or change it in any way. It denied us the opportunity to even offer a motion to recommit or any chance to change or correct it in any way whatsoever.

In my opinion, if the Connally resolution and the Fulbright resolution were

both put up to the Members of this House and a vote taken as between the two, the Connally resolution would be chosen by a majority of at least three or four to one over the Fulbright provisions.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. BECKWORTH. Mr. Speaker, I ask unanimous consent that the chairman of the House Committee on Interstate and Foreign Commerce may have until midnight tonight to file a report on the bill H. R. 3366.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. GREEN. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

EXTENSION OF REMARKS

Mr. SAUTHOFF. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

(Mr. MILLER of Connecticut and Mr. MURDOCK asked and were given permission to extend their remarks in the RECORD.)

TERMINATION OF WAR CONTRACTS

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, in relation to what our friend the gentleman from Illinois [Mr. DEWEY] has just said with reference to the termination of war contracts, I wish to add a thought with respect to the liquidation of inventories—goods, plants, machinery, and so forth—which the Government will probably have on hand, which are now estimated to range in the neighborhood of \$75,000,000,000, as against an approximately \$7,000,000,000 inventory which the Government had on hand at the end of World War No. 1. Adding to the inventory of \$75,000,000,000 the estimated \$75,000,000,000 of contracts which will have to be terminated will give us a rough figure of \$150,000,000,000, based on today's estimates made by some of our students and experts. It seems to me it will be necessary for Congress to enact legislation setting up a liquidation board of some kind or another, because I believe the figures show that in 1940 the total manufactured products of this country amounted to about \$76,000,000,000, so with the plants and equipment and inventories we shall have almost as much

as the total value of the manufactured goods in this country say in 1940 amounted to. If we liquidate at the rate of \$500,000,000 per month, it will take us many years to handle the job.

Mr. MAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. MAY. Mr. Speaker, since the question of the termination of war contracts has been raised on the floor today, I feel it proper at this time to say to the House that the Committee on Military Affairs is today completing hearings on the pending legislation on the subject. We are all perfectly aware of the gravity of the problem involved. The gentleman from Illinois said the termination of these war contracts is going to be one of the greatest problems of these times. I wish to add to his statement by saying that it is right now one of the grave problems of these times. We are going into executive session within a few hours for the purpose of trying to write legislation that will be fair to the contractors and fair to the Government, and that we hope will be a proper solution of this grave and important question.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 344)

The SPEAKER laid before the House the following message from the President of the United States which was read, and referred to the Committee on Education and ordered printed:

To the Congress of the United States:

On November 13, 1942, on signing the bill calling for the induction by Selective Service of young men 18 and 19 years old, I appointed a committee of educators, under the auspices of the War and Navy Departments, to study the problem of education of our service men and women after the war. The objective was to enable those young people, whose education had been interrupted, to resume their schooling, and to provide an opportunity for the education and technical training of other young men and women of ability, after their discharge from the armed services.

This committee has sent me a preliminary report which I am herewith transmitting to the Congress for its consideration, and, I hope, for its early action.

We, at home, owe a special and continuing obligation to these men and women in the armed services.

During the war we have seen to it that they have received the best training and equipment, the best food, shelter, and medical attention, the best protection and care which planning, ingenuity, physical resources, and money could furnish in time of war. But after the war shall have been won, the best way that we can repay a portion of that debt is to see to it, by planning and by action now, that those men and women are demobilized into an economy which is sound and prosperous, with a minimum of unemployment and dislo-

cation; and that, with the assistance of government, they are given the opportunity to find a job for which they are fitted and trained, in a field which offers some reasonable assurance of well-being and continuous employment.

For many, what they desire most in the way of employment will require special training and further education. As a part of a general program for the benefit of the members of our armed services, I believe that the Nation is morally obligated to provide this training and education and the necessary financial assistance by which they can be secured. It is an obligation which should be recognized now; and legislation to that end should be enacted as soon as possible.

This is a good time not merely to be thinking about the subject but actually to do something about it. Nothing will be more conducive to the maintenance of high morale in our troops than the knowledge that steps are being taken now to give them education and technical training when the fighting is over.

Every day that the war continues interrupts the schooling and training of more men and women and deprives them of the education and skills which they would otherwise acquire for use in later life. Not only the individual welfare of our troops but the welfare of the Nation itself requires that we reverse this trend just as quickly as possible after the war.

Vocational and educational opportunities for veterans should be of the widest range. There will be those of limited education who now appreciate, perhaps for the first time, the importance of general education, and who would welcome a year in school or college. There will be those who desire to learn a remunerative trade or to fit themselves more adequately for specialized work in agriculture or commerce. There will be others who want professional courses to prepare them for their life's work.

Lack of money should not prevent any veteran of this war from equipping himself for the most useful employment for which his aptitudes and willingness qualify him. The money invested in this training and schooling program will reap rich dividends in higher productivity, more intelligent leadership, and greater human happiness.

We must replenish our supply of persons qualified to discharge the heavy responsibilities of the post-war world. We have taught our youth how to wage war; we must also teach them how to live useful and happy lives in freedom, justice, and decency.

Specifically, I agree with the recommendations made by the committee in this regard, as follows:

1. The Federal Government should make it financially feasible for every man and woman who has served honorably for a minimum period in the armed forces since September 16, 1940, to spend a period up to 1 calendar year in a school, a college, a technical institution, or in actual training in industry, so that he can further his education, learn a trade, or acquire the necessary knowledge and skill for farming, commerce, manufacturing, or other pursuits.

2. In addition, the Federal Government should make it financially possible for a limited number of ex-servicemen and women selected for their special aptitudes, to carry on their general, technical, or professional education for a further period of 1, 2, or 3 years.

This assistance from Government should include not only cost of instruction but a certain amount of money for maintenance.

One incidental benefit of permitting discharged veterans to put in a year or more of schooling or training would be to simplify and cushion the return to civilian employment of service personnel. And I might call to your attention the fact that it costs less per year to keep a man at school or college or training on the job than to maintain him on active military duty for a year.

While the Federal Government should provide the necessary funds and should have the responsibility of seeing that they are spent providently and under generally accepted standards, the control of the educational processes and the certification of trainees and students should reside in the States and localities.

I am sure that the Congress will agree with me that the report of this committee constitutes a helpful and constructive point of departure in the working out of a practical program for the meeting of this situation. Various recommendations are contained in the report concerning the administration of the plan. While there may be differences as to some of the details, I am confident that the Congress will find merit in the general objectives.

So far as disabled soldiers are concerned, the Congress is aware that, pursuant to existing statutes, the Veterans' Administration is prepared to conduct a program of rehabilitation for veterans with service-connected disability. The program is designed to provide for the special needs of war-disabled veterans, and to furnish educational and training opportunities to help them take their places in civilian life. The program has already been initiated, and will be expanded as the war proceeds. The new program of the Federal Security Agency will make provisions for veterans whose disabilities are not service connected.

The Army and the Navy require a large number of workers skilled and experienced in various occupations and professions. Men who are filling these posts are acquiring valuable training and experience. A man who has become a mechanical draftsman, a cartographer, a meteorologist, a cook, or a baker may succeed in finding a similar post in civilian life. In a great many other occupations, such as those dealing with tank or tractor maintenance and repair, or with radio operation and maintenance, men are acquiring basic skill and experience which will provide a solid foundation for learning a related civilian occupation.

In addition, the United States Armed Forces Institute, which is a joint operation of the Army and Navy, offers men and women in the armed services a chance to enroll in courses usually offered

by colleges, high schools, technical, and occupational schools, in which they can study in their off-duty time. The institute prepares self-teaching textbooks which enable them to learn a subject entirely on their own initiative; or, if they prefer, they may join any one of hundreds of classes which have or are being established in Army camps and posts and in Navy installations, and in Army and Navy hospitals, here in the United States and in places all over the world. Or, if they wish, they can study by the correspondence method with the institute or with one of its overseas branches the same as any student in a correspondence school.

Opportunities for vocational training and for systematic schooling within the armed services will be expanded and re-oriented during periods of demobilization and up to the moment of discharge.

Therefore, if the Congress adopts the general objective outlined herein, our men and women in the armed forces will be afforded opportunities for continuance of their education and vocational training—first, during the war, second, during the demobilization period, and, third, for a year or more after their separation from the service.

While the successful conclusion of this great war is by no means within our sight, yet it may well be said that the time to prepare for peace is at the height of war.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, October 27, 1943.

EXTENSION OF REMARKS

Mr. COFFEE. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix and include an editorial.

The SPEAKER. Is there objection? There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. POAGE. Mr. Speaker, I ask unanimous consent that tomorrow, after the disposition of business on the Speaker's table and any other special orders, I be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection? There was no objection.

The SPEAKER. Under special order of the House heretofore made, the Chair recognizes the gentleman from Massachusetts [Mr. McCORMACK] for 15 minutes.

OUR NAVY AND NAVY DAY

Mr. McCORMACK. Mr. Speaker, it is entirely fitting that, on this Navy Day, 1943, the floor of this House should be used as a rostrum from which to pay a tribute to the United States Naval Service, consisting of our Navy, our Coast Guard, and our Marine Corps.

The resources and effort and manpower of this Nation have been used to the utmost, since the beginning of the national emergency, to build this country's seapower into the biggest, most effective, and hardest-hitting naval force the world has ever known.

On this second Navy Day of our Nation during wartime, we can point with pride to our Navy's ships and submarines

and planes. They are equal or superior to any similar types under any other flag, both as to quantity and quality. But we are, of course, proudest of all of the officers and men who man those ships, those submarines, and those naval planes. We can point with equal pride to the men and the women in the Navy, the Coast Guard, and the Marine Corps. They are our own people, members of our own families, our relatives, and our close friends. They are Americans all.

On this occasion—using information made available by the Navy Department at my request—I would like to speak of the size of our Naval Service, both as to manpower and matériel. I would like to describe some of the Navy's accomplishments at sea, on the home front, and in a field about which very little has yet been told—our Navy's assistance to the navies of our allies. And, particularly, I would like to say something about the spirit of the Navy men who are now at battle stations on all the seas of the globe.

After slightly less than 2 years at war, our Navy can point to many accomplishments.

The Mediterranean is no longer an Axis lake. It is a United Nations' highway to Russia, India, and the entire Asiatic area.

We are slowly winning the Battle of the Atlantic. According to Navy Department figures, there were fewer losses to German submarines in September than for any month since the beginning of the war. In fact, there is reason to believe that, during September, Hitler lost more submarines than we lost merchant ships—and that is a rate which means suicide for the German undersea effort.

In all the landings in Africa, Sicily, and Italy proper, the United States Navy has helped supply the original punch which put our troops and equipment ashore. And, on more than one occasion, the guns of our warships have battered attacking German troops and tanks, allowing our men to hold the beach heads they had won at great cost in effort and in human life.

In the Pacific, we have broken the back of the Jap attack—the Jap offensive has been stopped on every front. Today our joint Army, Navy, Marine Corps, and Coast Guard forces are pushing the Jap back to his final battlefields in the very heart of the Rising Sun.

Recently, you have read of the attacks by our Navy sea-air task forces on some of the Jap-held strongholds in the central Pacific. This week I have been informed that, through the proper concentration of our vastly increased Pacific forces, it is now possible for the Navy to establish air superiority—at least temporarily—over any one of Japan's central Pacific strongholds, and at any time our Navy desires to do so. Less than 2 years ago, you will remember, the Japs were able to advance at will almost to the gateway of Australia to the south, and far into the Aleutians on the north.

Navy Day, this year, is vastly different from last year and the year before. Our days on the defensive have passed.

This year the Japs are having to take it—when we can find them—whether they like it or not.

Today the total personnel of the Navy, the Marine Corps, and the Coast Guard is approximately two and a half million men, with more than 2,000,000 in the Navy, approximately 320,000 in the Marine Corps, and approximately 160,000 in the Coast Guard. This is well over 10 times the size of this force in July of 1940. It is approximately 4 times the approximate Navy figure attained at this Nation's peak during the First World War. Included in this total are approximately 50,000 WAVES, SPARS, and women MARINES.

During the past 3 years, the Navy has trained over a million and a half officers and men. As of July 1, 1943, a total of 17,437 officers and 167,886 enlisted men were in training. The percentage of officers trained in the last fiscal year rose 267 percent over the year before. Similarly, the percentage of enlisted personnel trained in the last fiscal year rose 173 percent over the year before.

The Navy college program V-12 was created to maintain a continuing flow to the Navy of young officers. There are 77,000 young men now in the colleges and universities throughout the country in the V-12 program. This program is administered in selected institutions under contract to the Navy for instruction, housing, messing, and other facilities. The Navy contracted for existing facilities and fitted the V-12 program into existing college patterns. The object of this training is to provide the basic educational background necessary for the assimilation of the technical and profound knowledge required of Navy officers. Following the successful completion of V-12, prospective midshipmen attend a Navy midshipman school. There are 4 of these throughout the country, located at the following places: The Naval Academy, Columbia University, Northwestern University, and the University of Notre Dame. These schools were originated at the suggestion of President Roosevelt when he was the Assistant Secretary of the Navy, and they are now the Navy's principal source of new seagoing officers.

The Navy has in operation a program of voluntary in-service education. This is designed to utilize "thinking" time, which is the time officers and men are off duty and wonder what to do, and what will happen to them after the war is over. This program includes both correspondence courses of study, and also group instruction at educational service centers. These have been established at many outlying bases, such as training stations and naval hospitals. They offer opportunities for studying anything from professional Navy subjects to bookkeeping and foreign languages. Correspondence courses offer a wide variety of subjects as well and also lead to high school and college credits. In other words, the Navy is not only training men to do better jobs in the Navy—these men are receiving an education which will fit them for better jobs after the war.

Of course, mere numbers cannot begin to tell the story of the United States

Navy as a sea-air fighting team. This is best told in reference to the spirit of the Navy's fighting men—men who are carrying on the tradition of John Paul Jones, Stephen Decatur, Perry, and Farragut. A brief anecdote will help illustrate this point.

In the early days of this war, when the Japs had the upper hand in the Pacific, one of our destroyers was commanded by a Massachusetts man, Capt. L. A. Abercrombie, of Lawrence, Mass. Captain Abercrombie tells the story of a day when his ship was patrolling in Japanese waters. Two torpedoes were observed heading for the ship. They missed, just barely. The ship was heeled over to dodge two more Jap torpedoes. The ship's "talker" was describing the action over the loudspeaker.

From down in the bowels of the ship came the excited voice of an engineer, who either could not hear what the "talker" was saying or who could not believe what he had heard. "Repeat, repeat," screamed the engineer.

"Two Jap torpedoes just missed the ship," repeated the "talker." There was a brief silence from below, and then came these words: "Let us go get the blankety-blank. But do not tell me any more—you might scare me." I am happy to add that—P. S.—Captain Abercrombie's ship did "get the blankety-blank."

Now for some figures on ships and planes: Today the United States Fleet constitutes by far the largest sea force in all the history of the world. This fleet consists of approximately 15,000 vessels of all types and more than 20,000 naval planes. Of the Navy's ships, more than 800 are hard-hitting combat types, exclusive of landing craft, auxiliaries, tenders, and other such smaller vessels. Of the Navy's planes, by far the larger majority are first-line combat aircraft, equal and superior to anything they have faced thus far in this war. The figures on the production of this gigantic fleet are perhaps now familiar to you. It is interesting to point out, however, that this flood of production is just now reaching its full tide and is scheduled to continue at its present maximum rate. During the 4 months in the second half of 1943, beginning with July of this year, Navy production has more than doubled the totals achieved in the entire 6 months of the first half of this year.

In speaking of the Navy's program of new building, however—and the almost unbelievable achievements in this field—there is another side of the story about which very little has been told up to this time. I refer to the maintenance, overhaul, and repair of battle damage to our own ships, and particularly the work we have done on the navies of the United Nations.

I am informed that the spirit of co-operation between our Navy and the navies of our allies has been splendid throughout.

Not long ago the announcement was made in London that at one time the British Mediterranean Fleet could put forward only three cruisers which were in combat condition. The Italian Fleet was overwhelmingly superior. Since that fleet is no longer in opposition to

our forces, and since much of the remnants of Hitler's shrinking sea power have been immobilized, it can now be safely told that for a large part of this war the navy yards of the United States have been used as repair bases for the British Navy and the navies of other United Nations.

From the beginning of the lend-lease program on March 11, 1941, United States navy yards have repaired foreign combatant vessels under the flags of England, France, Poland, Russia, Cuba, Venezuela, Ecuador, Chile, New Zealand, the Netherlands, Belgium, Norway, Mexico, Colombia, Nicaragua, Canada, and Greece. This work has been done in 10 navy yards in the United States and outside the continental limits, and in more than 20 private shipyards within this country. Under this program of aid to our allies, more than 80 large combatant ships have been overhauled, outfitted, or repaired after damage in battle. Of these foreign warships, there have been approximately 7 aircraft carriers, 10 battleships, 27 cruisers, 40 destroyers, almost 30 corvettes, and numerous smaller types.

One British aircraft carrier came into a United States navy yard so badly damaged as a result of combat with the Axis forces in the Atlantic that this ship required 6 months to place back in commission. Not only had this carrier been heavily bombed, she had been swept by fire that almost gutted the ship as a result of bombing.

A United Nations' cruiser now under repair had both the bow and the stern blown off. Two other Allied cruisers came into United States yards with the bows blown off. Another foreign cruiser is now under overhaul with the stern blown off.

A British destroyer which had received action damage came into port with the keel buckled about 18 inches. This would be a long drydock job and in order not to tie up a dock for this length of time, the ship was sent to the navy yard, Charleston, where a new drydock was being built. The ship went into the drydock with the first flooding of the dock. Work on the ship was undertaken at the same time the egress and entrance to the dock were being completed.

These are merely a few of the instances of our aid to the navies of the United Nations, about which little has been told in the past. Actually, almost 20 percent of all the repair and overhaul work in American navy yards has been done on foreign warships. This work, especially in the beginning, taxed the resourcefulness of our yards in adapting United States methods and materials to the requirements and specifications of foreign naval services. For instance, our workmen had to learn that on a British ship, a portable electric cable is a "wandering lead," that on a French ship a cylinder head is a "chemise," and that in Spanish, spare parts are known as "refreshments." One of our overhaul problems was in itself a seagoing league of nations. This problem concerned 10 gunboats which had been built in Spain, to British specifications, which had French guns, German engines, and

which belonged to the Government of Mexico. The technical difficulties in these repair problems were almost staggering to the imagination. But, in keeping the ships of our allies in fighting trim, we were thereby adding to the strength of the sea force opposed to the Axis, and we were gaining time while building up our own forces.

Even before Pearl Harbor the Navy realized that the larger fleet which was being built as a result of the national emergency would require vastly increased repair facilities and personnel to keep this enlarged fleet in operation. To meet this situation our navy yard working forces were doubled, tripled, and then quadrupled as fast as men could be recruited. When skilled men were no longer available, untrained men and women were brought in to work alongside the skilled, until they could pick up their share of the work load. As an example, the force at one of our east coast navy yards expanded from 1,500 in 1937 to almost 30,000 in 1943. One of our larger navy yards now employs approximately 70,000 workers, and the forces are still increasing.

During 1 month of this year, there were 436 naval vessels under repair in 9 navy yards working on repair and overhaul jobs which cost a total of \$20,000,000. In many cases, where important units of the fighting fleet are needed by specified dates, the yard personnel has virtually accomplished the impossible in meeting the dead line. There are many unsung heroes among our yard workmen and foremen who have worked long, hard hours to get a ship back to the battle line in record time.

But on this Navy Day it would not be logical or proper for me to talk to you about ships alone, or about the civilian workers who build and repair these ships.

The lion's share of the credit for all of the Navy's achievements thus far in the war properly goes to the Navy's fighting men, working shoulder to shoulder with the fighting men of the other two branches of the naval service—the Marine Corps and the Coast Guard.

Let us review briefly some of the accomplishments of these fighting men since that black Sunday morning of December 7, 1941, at Pearl Harbor, not quite 2 years ago.

No American will ever forget the heroic stand of the Marines on Wake Island. Outnumbered, their supplies, equipment, and ammunition almost gone, they were asked in a radio message what they wanted. And the message flashed back—"Send us more Japs."

In May of 1942 the Japs were advancing in every direction throughout the Pacific. Australia had the invasion jitters—and well she might have had. The Japs were headed in that direction, and the Japs had not yet been stopped. The Japs had crushed their way into Hong Kong. They had captured the Philippines. They had moved into French Indochina and into Burma. They had not halted at the great and supposedly impregnable bastion of Sing-

apore. They had raped and gutted the Netherlands East Indies. The Japs at no point had been checked or stopped. And the Japs' taunting cry rang out—"Where is the United States Navy?"

Well, the Japs got the answer to that question in May of 1942 as they moved their invasion fleet into the Coral Sea, presumably aimed at an Australian conquest. The United States Navy was there to greet them with fireworks. The Jap fleet was routed, part of it sent to the bottom of the Coral Sea, and Australia—although not yet out of danger—could afford to breathe a little easier.

Maybe the Japs thought the Battle of the Coral Sea was an accident—or maybe they believed their own propaganda when they claimed that the United States Navy had been crippled for good at Pearl Harbor. At any rate, just 1 month later they tried it again. This time the thrust came at Midway. The Japs aimed their blow with the biggest invasion fleet in the history of modern warfare—a total of more than 80 ships of all kinds. Quite a few of those ships will never see Japan again—among them 4 of Japan's best aircraft carriers—because they are now on the bottom of the sea off Midway. The Japs now knew where they could find the United States Navy.

The next move was up to us, and we made it—we threw an invasion force into the Solomon Islands. For more than 3 months the Japs used every trick and every combination of force at their command in an effort to retake the Solomon invasion points. You know the result. Today "Guadalcanal" is an American household word. And we are steadily pushing forward in the south Pacific area, just as we pushed forward in the Aleutians until the battered Jap forces turned tail and retreated toward Tokyo.

Today our Pacific sea and air forces no longer worry so much about where the Japs will strike next. They are worrying about where they can find the Japs next. And the Navy has shown us, in terms of battles fought and won, that the best defense is to attack, both in the Pacific and the Atlantic.

The Navy has added to our national traditions such words as "Midway," "Guadalcanal," "the Coral Sea," and others which future Americans will find large in their history books. And other such names are now in the making—with battle plans already completed, and with officers and men waiting only for the signal to go. After a recent Navy raid on the Marcus Islands, a Japanese propaganda announcer told the Japanese people that they must work and fight harder, because the Marcus Island raid could just as easily have been made on Japan itself. So far, gentlemen—and I have made inquiries in this regard—the United States Navy has not seen fit to call this Japanese spokesman a liar. There is every reason to believe that the future of our naval operations holds great battles—perhaps with great losses—but also certain to provide great advances forward in the over-all pattern of final and ultimate destruction of the Japanese military power in the Pacific.

We know that there will be no lack of spirit on the part of the men who are called on to perform their share of the sacrifice and effort needed for victory. Here is just one example—told for the first time—of this fighting spirit on the part of our Navy men. This story concerns a Navy Seabee, member of a naval construction battalion—those men who land with the marines and build the advance bases—the men who fight with a monkey wrench or a shovel in one hand and a tommy gun in the other.

At an advance base in the southwest Pacific, Seabee Richard Herman Maurer, of Seattle, Wash., was reported absent without leave late in July. Maurer was absent without leave until the end of August, at which time he was called before a court martial and asked to explain his conduct.

It developed he had gone A. W. O. L. only because he saw a chance to get in a crack at the Japs. Leaving his island base, he attached himself to a party of marine raiders who had been ordered on a daring mission into the Japs' own territory, an island in Japanese-held waters. Here is a paraphrase of the report turned in by the marine commanding officer, and which has been furnished to me by the Navy Department:

During the attack on the Japanese, Seabee Maurer displayed outstanding qualities of courage and heroism as a member of a machine gun squad, manning a machine gun alone when every other man in the gun crew was killed or wounded. He serviced this gun under heavy enemy machine gun, rifle, and mortar fire. His actions at all times were in keeping with the highest traditions of the Naval Service. He is herewith recommended for the award of the Silver Star for gallantry in action against the Japanese enemy.

That is just one example. There are thousands of others in the battles which have made the United States Navy supreme on every sea where the battles are now raging. But there are examples in our own land, too, of the heroism which comes with sacrifice—the wives now without husbands and children without fathers; the parents whose sons are represented by a gold star in the window; the thousands of patriotic Americans who are reminded of loved ones by a white cross in the Solomons or the beaches of Africa or Italy.

On this Navy Day, 1943, we know that we have a great Navy—and we know that it will show itself to be even greater as this war goes on. All our best naval and military authorities tell me that the battles which still lie ahead will be long and hard. We do not know how long this war will last, or how much it will cost in national wealth and human life. But we are on our way. We know that victory—no matter how long it takes—is certain. And on this Navy Day, we can strive for nothing higher than the pledge that we as a Nation will live up to the heroism and sacrifice that the men of our Navy have already written in our history—to stand as long as our flag shall wave.

The SPEAKER pro tempore (Mr. NORRELL). Under previous order of the

House, the gentleman from California [Mr. PHILLIPS] is recognized for 20 minutes.

SUBSIDIES

Mr. PHILLIPS. Mr. Speaker, when I asked for the time today to discuss very briefly the question of subsidies, I had that thought only from something that had been said here about a week ago by the gentleman from Pennsylvania [Mr. WRIGHT]. The gentleman, in talking about subsidies, had said that he approved generally of the subject of subsidies. Then he made this statement, which I thought might be a text for what I was going to say:

I hesitate to speak with any authority about the farmer, because I know so little from practical experience about farming.

If the gentleman from Pennsylvania [Mr. WRIGHT] were here today it was my intention to say to him, and to assure him that I am not speaking too seriously, that perhaps it is fortunate for the gentleman from Pennsylvania and for myself, and for many other Members of the Congress of the United States that it is not necessary that we should know personally about farming in order to realize that the present policy of subsidies will be a failure, is a failure, and for 1,600 years has been a failure on every successive attempt to use it. If the gentleman were here, I would like to point out to him that we can go back as far as the time of Diocletian, who had some of the same ideas the administrative agencies have today in Washington. The ideas have changed very little over 1,600 years. There is one mark of similarity in them in that they were failures in his day and failures today, and so I have here quotations from a number of books, speaking of that period, and I quote from them. One says that Diocletian fixed a maximum price for foods and other articles of commerce. He, however, did something which the present agencies have not yet come to. He fixed at that time a maximum price for wages. I skip the comments of this author and quote merely his conclusion:

The effect was disastrous. It brought about disturbance in the food supply, and many traders were ruined.

There are other quotations, all of them coming to the same conclusion.

Another author says that the same expedient has been tried before and has been often tried since, and that as a temporary measure in a critical time it might be of some use, but as a general measure it is certain to do great harm, and then he says "will cause great bloodshed," which I am glad to say has ceased to be the effect over the period of 1,600 years.

So I turn to another comment on the conditions of that time from a man who is even more in favor of the idea than the previous author. He says that "probably the idea failed because it was too simple and too rigid in that it made no allowance for the necessary differences between wholesale and retail prices and for the cost of transportation, and for seasonal variations," which is something that we can take out of the historical

comments 1,600 years ago and apply easily to 1943.

Unfortunately, a little different situation has come onto the floor since I asked for time. The gentleman from Pennsylvania [Mr. WRIGHT] was very sincere and spoke very well. However, in the peripatetic appearance of the gentleman from Texas [Mr. PATMAN], he has been speaking on the subject of subsidies, and in the CONGRESSIONAL RECORD of October 1925, that gentleman says:

The inconsistency and what borders at least upon hypocrisy is the fact that the so-called opponents of subsidies have said that they are against all subsidies.

And so on, indicating that there is an inconsistency in that some feel that subsidies may be applied to one purpose and not to another. I suggest that it is a serious thing to accuse the Congress of the United States of inconsistency and of hypocrisy, and so I turn back to the CONGRESSIONAL RECORD of June 18, and I quote the statement of the gentleman from Texas [Mr. PATMAN], in which he said:

On the general proposition of subsidies ordinarily I am against subsidies. I do not think it is the right approach.

Then he says—and I wish to include the entire quotation—

Now we are at war, and in some way we must keep down inflation.

Then, Mr. Speaker, I wish to quote from the act, which is being used by the administrative agencies for the purpose of applying, and I say without authority, subsidies in the present effort to keep down the cost of living. I repeat that this has been tried many times, and I shall say again, has never been successful.

There is one element that enters into it which the gentleman from Texas ignores. If the gentleman from Texas is to speak after me today, I wish him to speak upon this point, and not to evade this point, but to speak directly upon this point. That is, that the whole idea of the present subsidy program of the administration is to maintain and to increase production. I challenge any Member of the Congress, I challenge the gentleman from Texas, to tell me where once in the history of the world a subsidy program, as now applied, has ever maintained production and ever increased production.

So I read from the Executive order itself. The Executive order is dated April 8, 1943. This is the famous "hold the line" order. I do not know what it holds, but it does not hold any line. This is a résumé of the order rather than the language. I quote:

Nothing in the order was to prevent either of them from making such readjustments in price relationships appropriate for various commodities or classes or qualities or grades thereof, or for various marketing areas, or from authorizing such support prices, subsidies, or other inducements—

And this is the only way in which subsidies were to be offered—

as may be authorized by law or may be deemed necessary to maintain or to increase production.

The point that I am making today in the brief time at my disposal—and I wish I had taken more; however, the gentleman from Texas had not spoken when I asked for time—the point I am making is that the whole theory of the subsidy program is to maintain and to increase production, which it will not do, which every farmer knows it will not do, and which the representative of every farming area knows it will not do, and which, therefore, will have a most tragic effect upon rural areas.

So we turn to the nation which is the highest example of regimentation, in my opinion, which exists in the world today. That is Germany. Germany began back in 1933 with the ideas of regimentation and of subsidies and of the control of the production of foods. I went to Germany in the summer of 1935 to see just exactly what had been done. We might divide that experiment into two parts. The first part was from 1925 to 1933. We could go back to 1925, but let us start with the coming of the Third Reich in Germany, and quote people who have sympathetically written about it.

Only after 1933—

Says this writer—

did subsidies become a conscious part of the Germany policy. Before the advent of the Nazi government there were only a few disconnected measures, and since then agriculture has been subjected to a more or less comprehensive program for self-sufficiency. One survey of Germany's attempt has shown that on the whole, agricultural production has not been increased and imports have not been materially reduced.

I would like to read more but the idea is the same. It is the conclusion we are interested in today.

Another writer:

Even in 1936 Germany was still compelled to import about 20 percent of her foodstuffs.

Thus, says he:

The idea has contributed nothing toward agricultural self-sufficiency during the period of its experimental control.

Another one:

The drive, initiated since 1933 for complete agricultural self-sufficiency, has failed—

And I interpolate—

by the subsidy plan.

Here we have a German writer who says:

Since 1933 the German Government has spent large amounts on subsidies to increase production in order to make Germany self-sufficient with respect to foods. In spite of these subsidies, there is no essential increase of agricultural production to be expected for many years.

Another one, and this is an English writer, says:

In spite of all these efforts the Nazi agricultural policy has been a failure, both in the economic and in the social field.

Another one:

Despite all promises and efforts to the contrary, Nazi agricultural policy is leading therefore to an almost complete destruction of the liberty and social position of the independent farmers.

There is nothing new about a subsidy program. There is nothing that we do not already know, including its ultimate failure.

Italy tried the same thing under the same system of regimentation. This writer says:

Despite constant propaganda, coercion, and various subsidies, there has been little, if any, increase in land utilization, crop yields, or the number of livestock. In 1932 there were 29,372,000 hectares under cultivation; in 1937 this area was reduced to 28,742,000 hectares.

That is exactly what is happening in the United States and will happen under this program.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS. I yield.

Mr. AUGUST H. ANDRESEN. Does not the gentleman believe that the subsidy program in Germany and Italy was tried out largely to get political support for the Nazi administration, rather than to increase production?

Mr. PHILLIPS. Is the gentleman suggesting that is the same basis of the subsidy policy in the United States?

Mr. AUGUST H. ANDRESEN. Well, history repeats.

Mr. PHILLIPS. It has been said to, yes. However, let us turn to the efforts of Great Britain, which, with these same examples—of all times—before it, was not led into this mistaken idea of subsidies into which we are being led, but which said to the farmers of England, "Produce." As a consequence, the farmers produced. I quote:

The Minister of Agriculture announced that he would provide farmers with a guaranty of fixed prices for food produced during the war and for 1 year after its conclusion. This guaranty has provided a strong impetus to farmers to produce maximum crops.

A recent increase of sown land to 18,000,000 acres represents a 40-percent improvement over the pre-war figures.

Mr. Speaker, my time is running out faster than I had hoped. It seems to me almost as though the clock had been speeded up. I should like to submit the results on France, with which I am also personally familiar, taking the years 1935 and 1937, on the opposite swing of the pendulum—that is, when they had too much grain. They decided to purchase grain by injecting the government into the picture. They tried to control the production of grain, and I ask you to believe me, Mr. Speaker, with even more disastrous results. When I was there the grain was costing something like \$2.09 a bushel to the consumer, \$1.91 to the farmer, and \$1.18 to the livestock men. In fact, I saw quoted in the same paper over there the Government price on grain and the black market price on grain. It was called "le gangster blé"—"gangster wheat"—they having taken that name from the United States, which I am somewhat inclined to view as a dubious honor.

Mr. Speaker, I ask unanimous consent that at the conclusion of the legislative business of the day next Monday and special orders heretofore entered I may

again have 20 minutes to continue what I really want to lay before the gentleman from Texas.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. PHILLIPS. Mr. Speaker, I shall merely say so that the gentleman from Texas may be adequately warned that I shall then point out to him that in the issue of the CONGRESSIONAL RECORD of June 17 last the gentleman from Texas [Mr. PATMAN] and the gentleman from Mississippi [Mr. RANKIN] had a little exchange on the floor. The gentleman from Texas said:

The O. P. A. has made a lot of mistakes.

I can agree with that. He said:

We are nearer run-away inflation than we have ever been before.

I say I agree with that but that we attribute it to different reasons. I attribute it to the present system of subsidies, plus the present system of uncontrolled incomes, plus insufficient production. I say that combination is the greatest incentive to run-away inflation this Nation has ever known in its entire history. Then the gentleman from Texas said:

There is not a Member of this House listening now, or a Member of this House who would vote to repeal the price- and the rent-control law. I do not believe there is a single one who would do it.

And the gentleman from Mississippi said:

The gentleman cannot speak for the whole of the Congress on that proposition.

Which I think is a statement of fact. The gentleman from Texas then said:

I am not speaking for the whole Congress.

He further said:

Is the gentleman opposed to price control?

And so forth. And the gentleman from Mississippi said:

I will say to the gentleman from Texas that I opposed the law originally. I would repeal it now and I would go back to the program followed in the First World War.

Mr. Speaker, I have asked for time next Monday in order to point out that the program followed in the First World War was a sound program. It was a program inaugurated under a Democratic administration, it was a successful program, and we should return to it now, as nearly as it would be possible to return to it.

The SPEAKER pro tempore. The time of the gentleman from California has expired.

Under the previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 40 minutes.

PERMISSION TO ADDRESS THE HOUSE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that on Monday next after the disposition of the special orders heretofore entered I may address the House for 30 minutes.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I expect to make today and to include therein certain tables and other excerpts.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. REECE of Tennessee. Mr. Speaker, will the gentleman yield for me to submit a unanimous-consent request?

Mr. PATMAN. I yield.

EXTENSION OF REMARKS

Mr. REECE of Tennessee. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by inserting a speech made by Mr. Thurman W. Van Metre, economist and professor of transportation at Columbia University. I am advised by the Public Printer that this will cost \$157.50.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. RABAUT. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

SUBSIDIES—NO OTHER WAY TO HOLD DOWN THE COST OF LIVING AND ENCOURAGE PRODUCTION

Mr. PATMAN. Mr. Speaker, to my mind there is only one way to keep down the cost of living, prevent inflation, and encourage needed production, and that is by the payment of subsidies. This question has been pictured to the country as being a new one, but the first act of a general nature passed by the American Congress more than 150 years ago was a tariff act, and that act has remained in effect in one form or another ever since the establishment of our Government. That is a subsidy, nothing more and nothing less. It has cost our people up to \$4,000,000,000 a year. There are many other subsidies that could be mentioned. I merely mention this to advise you that I do not consider the question a new one at all; it is just as old as the Government itself. The charge of being new is used to try to keep the farmers from getting the benefit of subsidies.

OPONENTS NOT AGAINST ALL SUBSIDIES

The Members of this House who are attempting to deny the farmers of this country the benefit of a fair price by denying to them the benefit of subsidies do not oppose all subsidies, they only oppose some subsidies; and I state again that for anyone to campaign on an issue against a subsidy and say it is fundamentally wrong, that the Treasury should not use this money for the purpose of paying subsidies and then at the same time say: "I am for certain subsidies" which of course are just as fundamentally wrong, is bordering upon the hypocritical, and is certainly inconsistent.

ONE HUNDRED BILLION ALREADY SAVED ON COST OF WAR

The cost of our war to date would have been almost \$100,000,000,000 more and our national debt would have been increased by that amount had not price control been as effective as it has been and had not subsidies been used to keep down the cost of items that go into our war machinery. I again repeat to you an outstanding case where subsidies have been used to great advantage. I could give you many. During World War No. 1 prices went out the roof. The gentleman who just preceded me is advocating a return to the policies of World War No. 1. Anyone who reads that record will be convinced very quickly that it would not be in the public interest to return to the price policies of World War No. 1.

PRICE POLICIES OF WORLD WAR NO. 1 BAD

In the first place, we paid 30 cents a pound for sugar instead of less than 7 cents a pound as the price is today. The price of sugar has not increased 1 penny in this war. Furthermore, we paid more than 90 cents a pound for coffee during the First World War, while we are paying less than 30 cents a pound today in this war. I could enumerate a number of things that increased from 3 to 10 times as much under the policies of World War No. 1 as they have increased under the price policies and laws of World War No. 2. So just a casual glance at the figures will convince anyone that only a person who is willing to tolerate ruinous inflation, runaway prices, unbridled inflation, and an extremely high cost of living could afford to advocate such policies as we had in World War No. 1. In this war we have endeavored to profit by the experiences of the past, which is as it should be.

FIRST PRICE CONTROL ACT

In January 1942, we passed a law known as the First Price Control Act, the hearings having commenced on that bill in August preceding its final enactment in January 1942. Congress made a mistake then by not having prices fixed for everything, wages, salaries, commodities, and everything else, but we were led to believe that we should not do that, that if we would give the Price Administrator the power to slap a price ceiling on anything that looked like it was going to get out of line it would be sufficient power for him to have to keep these prices under control. It was a beautiful theory and we passed the bill that way. We were mistaken and it did not work, so very soon thereafter the President of the United States came out with a message to Congress stating that the Congress should pass a price-control act that would place a price ceiling on not only prices but also wages and salaries and specified by using the phrase, "Items that affect the cost of living."

SECOND PRICE CONTROL ACT—PRESIDENT DIRECTED BY CONGRESS

So the Congress passed the Second Price Control Act, dated October 2, 1942. That Second Price Control Act not only authorized the President of the United States but it directed him.

That is one case where the Congress has used a directive on the Chief Executive of our Nation. The President is directed under the October 2, 1942, act to fix all prices, wages and salaries and items that go into the cost of living on the basis of prices existing on September 15, 1942 insofar as practicable and we only permit him under the act to deviate from that where he finds it is necessary to aid in the effective prosecution of the war or to correct gross inequities.

CONGRESS DIRECTS PRESIDENT TO HOLD LINE AS OF SEPTEMBER 15, 1942

In other words, the legislative body has directed the Chief Executive to hold that line as of September 15, 1942. The labor groups claim he has held that line very much to their detriment. They insist that the cost of living has gone up sufficiently so that they should not only have the benefit of the so-called Little Steel formula of a 15-percent increase but they should have an increase that is in excess of that 15 percent.

WILL WE FIX THIRD LINE FOR PRESIDENT TO HOLD?

The point is whether we will fix another line to hold. The First Price Control Act fixed the line as the prices prevailing between October 1 and October 15, 1941. That was the first line we were expecting to hold and we failed to hold it. Then we came back and we directed the President to hold the line as of September 15, 1942, and he has been attempting to hold it. So the question is, Will we go back and repeal that directive and will we fix another line to try to hold? Or will we destroy the line and have no line at all to attempt to hold? If so, how many more lines are we going to establish and when are we going to hold the line? That is the point.

INFLATION SERIOUS NOW—A FIGHT IS NOW BEING WAGED TO INCREASE THE COST OF LIVING

The question of inflation is more serious today than it has ever been in the history of the American Government. You see here an effort on the part of our Republican friends on the other side of the aisle to increase the cost of living. That is what it is. You are making a fight to increase the cost of living. That is your fight. Whether you are willing to admit it or not, that is what you are driving at. You are trying to increase the cost of living and destroy the only guide we have to hold prices. When you increase the cost of living, obviously wages and salaries must be increased too. You are not holding the line. Then when you increase wages and salaries, that causes the cost of production to go up, so you will have to increase prices again. And when you increase prices again you have got to come back and increase wages and salaries again. So it becomes a race between prices on the one side and wages and salaries on the other. That is what you are advocating.

INFLATION ADVOCATED

You are advocating a race, you are advocating inflation, you are advocating increasing the cost of living, that is what you are advocating, and when you have this race between prices and wages, prices and wages will go out the roof—

the same effect you can get from mercury by putting a lighted match under the thermometer. The mercury will go out the top. That is what will happen to prices.

Mr. WRIGHT. Will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Pennsylvania.

Mr. WRIGHT. Unfortunately I missed the first part of the gentleman's talk. I just wonder if the gentleman has commented upon the increased cost of the war if we do have this inflationary spiral inasmuch as the Government purchases a large part of the food and also the materials of war.

REPUBLICANS ADVOCATING AN INCREASE IN THE COST OF LIVING

Mr. PATMAN. I have not expanded upon that, I may say to the gentleman from Pennsylvania. I am talking frankly. I have no dislike for a person who is not a member of the party that I happen to be affiliated with. Some of my very best friends are members of the other party and some of the most able men in the House are members of the other party. This is not a party issue with me. We are in a war and we have to win this war. We have to also succeed on the second front, which is to stop inflation. Inflation is almost as bad as losing the war. So we have a real fight here at home. I cannot understand why our Republican friends keep advocating increasing the cost of living and increasing the cost of everything.

NO ALTERNATIVE SUGGESTED

Maybe subsidies is not the right way to do it, maybe that is not the right way to hold it down. Let us say for the sake of argument it is not, that we should use some other method. What method are you going to use? Will you please suggest it? How are you going to keep the cost of living down without subsidies? I would like to know. If there is another way just as good I would be for it, but our Republican friends place themselves in the position of advocating an increase in the cost of living as against subsidies, and offer no alternative. They just want to increase the cost of living. I cannot understand why they want inflation.

FIRST CROP OF WORLD WAR NO. 2 MILLIONAIRES

Further, something else I cannot understand about our friend is this. The President asked for a \$15,000,000,000 tax bill. Instead of giving him a \$15,000,000,000 tax bill, a solid front on the part of our Republican friends forced through what was known as the Ruml plan, or 75 percent of it, which, instead of taking taxes away from the people, actually gave back to the people \$7,500,000,000, going in the other direction, causing inflation.

Incidentally, that was the first crop of war millionaires made in this war, made by legislative action, a congressional crop of war millionaires. The Ruml plan just gave back \$7,500,000,000, much of it to war millionaires. Now they say not only do they want to give that money away but they do not want to put any more taxes on them. They are against taxes. They want to give money away. They are for an increased cost of living.

Where is this country going, if you adopt a policy like that?

Mr. MURDOCK. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Arizona.

Mr. MURDOCK. May I say with reference to the last remark of the gentleman that I agree with him thoroughly that we made a great mistake when we forgave \$7,000,000,000 on war profits made in 1942. Congress certainly legislated a crop of war millionaires in that Ruml plan and paved the way for heavier unjust taxes.

But that is not why I rose to question the gentleman. I, too, came in in the midst of the gentleman's remarks. Did I correctly understand the gentleman to make some comparison between the increased cost of living in this war and in the First World War?

Mr. PATMAN. I did not today, but, if the gentleman will take the Record of yesterday and look on page 8777, he will find a statement that compares the cost of different principal items in this war with the cost in the last war. They are contained in a statement presented by Mr. Prentiss Brown when he resigned as Price Administrator recently.

Mr. MURDOCK. May I say to the gentleman that I think that in spite of all the fault we are finding with our attempts to hold the line we have actually held the line this time to a certain extent, and to a remarkable extent, so that the increased cost of living due to this war is nothing in comparison with that of the preceding war. Our great middle class would already have been destroyed under the operation of so-called natural law, if we had not done what has been done.

Mr. PATMAN. The gentleman is exactly right. Even though we feel that we are entitled to more money, we are not getting enough rent on our property, or we should have higher wages, but we should remember this, that it is better to get money that is worth something, that will buy something, and be worth nearly 100 cents on the dollar than to have this race between wages and prices, with money eventually not being worth very much of anything.

WIPE OUT MIDDLE CLASS

The best way on earth to wipe out the middle class in this country is to increase the cost of living, as advocated by our Republican friends. In other words, they are advocating wiping out the middle class. There will be two classes, then, the very poor and the very rich. Only the very rich can survive inflation.

Mr. MURDOCK. At the present time the items which have increased in cost are few, relatively, whereas in the First World War, the items that increased in cost were almost 100 percent. I recall distinctly at the time of the other World War, and no doubt the gentlemen about me will also remember it personally, that practically every item of consumption increased in cost, most of them as much as 300 percent. There was one item nationally advertised in those days, and it was said that postage stamps and this

particular well-known food item were the only two purchasable things which had not increased in price. The manufacturer then made that claim in high-class magazine advertisements. At least, that cannot be said now.

Mr. PATMAN. I notice that in this war, even after remitting much of it to the war profiteers—\$7,500,000,000—they are proposing to increase even the postage rate 25 percent. Even the postage stamp will not get by; they will increase the postage rate by 25 percent. The recipient of an old-age pension will have to pay 25 percent to inquire why his check has not arrived.

IN WARTIME

I know in wartime you have to be for many things you do not like. In a legislative body we oftentimes have to vote for something and accept something bad in order to keep from having to take something that is worse. That is the way legislative processes are. We have to give and take. We cannot have legislation unless we do give and take. A Member of Congress, of either the House or the Senate, who stands up and says, "These are my convictions. I am not going to yield. As a matter of right and justice I know that I should not yield, therefore I will not yield anything," never accomplishes anything. He just keeps his views and convictions, and that is all he has. He never gets anything done. Every major law that is passed by the Congress represents a compromise of view or a sacrifice of opinion on the part of practically every Member of these two bodies. We have to give and take. In time of war that is especially true.

I do not like taxes and I do not like to vote for them, but sometimes we have to take something bad, as I said, to keep from taking something worse. It is better to have taxes and preserve our country and protect it from inflation than not to have taxes and have our country destroyed by inflation. So the alternative is sometimes so bad that we are compelled to take something we do not like.

POPULAR MEMBER OF CONGRESS

I guess the most popular Member of Congress would be one who could take this attitude. A constituent could say, "I don't like that tax bill." The Member would say, "Well, I voted against it. I voted against all tax bills." The constituent could say, "I sure do like the money you gave us for this college over here or this soil-conservation project. I like that." The Member could say, "Well, I voted for that."

In other words, to vote for all appropriations and against all tax bills is a fine way for a Member of Congress to stand pretty well before his constituents, but it does not protect the country. It does not save the country.

We must look beyond just this temporary period, we must look into the future and we must guard against the things that might happen in the future.

On the tax question especially I should like to say something. I think we are making an awful mistake. I am going to say something that is very unpopular. It is very unpopular to say what I have been saying about the O. P. A., I know

that. No one has to tell me that, but I believe it is in the public interest.

NOT TAXING ENOUGH

There is another thing that is really unpopular that I want to say, and that is we are not taxing enough. I do not know where the money should come from, but it should come from somewhere. We are paying about one-third of the cost of this war as we go along, while Great Britain and Canada are paying 50 percent, or near 55 percent. We are not paying enough of the cost of this war as we go along. We are borrowing too much on long-term bonds. There is the interest that will have to be paid, and the result will be that by the time these bonds are paid, we will be paying \$1 and \$2 interest on every dollar that we have borrowed. Whereas, if we tax now and pay the money now, it will not only help us by \$1 on the war debt but the equivalent of \$2 and \$3. Therefore we should pay every dollar we can as we go along.

Mr. MAGNUSON. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. Yes.

Mr. MAGNUSON. I notice in the newspaper this morning a release from the Treasury Department in which it is said that the people of this country, under the present tax plan, will pay more taxes than the people in England and Canada.

Mr. PATMAN. That was a very artful statement. I do not know anything about it. I merely saw the headline in the paper. I did not have time to read it.

Mr. MAGNUSON. That is per capita.

Mr. PATMAN. Oh, well, of course, figures do not lie, but sometimes liars figure; and I am not calling the gentleman a liar; neither am I denouncing the author of the figures. I am only explaining the process.

Mr. KEFAUVER. That article had reference to the per capita payment and it did not compare income.

Mr. PATMAN. They are doing just one thing here, and they added to the crop of millionaires by not making them pay 25 percent last year. Add not only the present taxes, but 25-percent taxes due from last year, and you make this per capita high, and I make this statement, and I challenge anyone to successfully contradict it. If you take the 2 years, 1942 and 1943, and you consider the taxes paid in the United States and the taxes paid in Canada and in England, you will find that the income-tax payers in England and in Canada pay 300 percent more than we do in the United States for these 2 years. But through the use of trick figures anyone will be able to show that the per capita for 1 year is quite different, and obviously that is what they are trying to show. They overlook the juggling around that they are going through in getting those figures. There is another reason why we should pay more of the cost of this war as we go along.

Mr. GEARHART. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. Yes.

Mr. GEARHART. I was wondering if the gentleman understands that the

trick figures he refers to are the official release that comes from the Treasury of the United States.

Mr. PATMAN. I do not know whose they are.

Mr. GEARHART. It is Mr. Randolph Paul.

Mr. PATMAN. I do not know anything about them except what has been said here.

Mr. GEARHART. He is the chief counsel of the Treasury Department.

Mr. PATMAN. I say this, and I challenge Mr. Paul or any other person to contradict it, that if you take what you pay in taxes for 2 years, you will find that in Canada and in England they are paying 300 percent more than we are paying in the United States—for the 2 years 1942 and 1943 that is—the same class of taxpayers, or the average, and that statement cannot be successfully challenged or contradicted.

There is another reason why we should pay more taxes and that is to syphon off the excess purchasing power. Many people here are saying, why do we have so many people working for the O. P. A., while in Canada they have only a few and in England they have only a few and here we have several thousand. The problems are different. England and Canada have such high taxes, they syphon off so much of that excess purchasing power, that the people do not have the money with which to go into the competitive markets and compete with one another, as we do here for various articles. Therefore, the problem is a difficult one here and not difficult over there. So, in order to keep down inflation, we should syphon off more of the excess purchasing power through taxes, and pay it on this war debt, because every dollar we pay now saves us two or three dollars that would have to be paid in the future, much of it to be paid by our returning servicemen, who are fighting to save us and our country on the 55 battle fronts of the world.

I am reminded of subsidies again by a gentleman near me. Let us take copper, for instance. We are paying out on copper, lead, zinc, about \$80,000,000 in subsidies. We had two alternatives. We wanted more copper production. The Anaconda and the Phelps-Dodge are the two No. 1 copper producers, and they were making plenty of money at 12 cents a pound. We wanted more copper. There are other mines that could be operated, but we would have to pay them 15 cents or 17 cents or 23 cents or 34 cents a pound, and so the question was, Why increase the price of copper to 35 cents in order to bring in these high-price mines? So what did we do? We kept the price at 12 cents a pound on the present high-grade mines that were receiving 12 cents a pound, and we paid a subsidy of 5 or 10 or 15 cents a pound in order to get production in the other mines. We increased production 10 percent and that is the limit, and we saved the high price on 90 percent of the copper. It was successful. You are advocating just the opposite of that. Now, by paying less than \$80,000,000 a year on copper, we are saving the taxpayers a billion dollars a

year. Is not that good business? Is not that good sense?

It can be used in the same way with a lot of other commodities. All of them, it cannot; I will admit that. But, why restrict it? Why not leave it to somebody to say "Pick out the commodities where they can be used successfully and save the taxpayers money but do not use it where it cannot be used successfully?"

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. PHILLIPS. Would the gentleman please take butter for his example—butter and milk, because that is much more widely used than copper. There is a subsidy being paid on it and production is falling daily.

Mr. PATMAN. All right. Let us take milk now. I know the gentleman made some reference to one gentleman who spoke on this who was not a farmer, but what he said about that is perfectly all right. It happens in this case I was a farmer, and at one time Congressman Marvin Jones, of Texas, and I were the only two Members of this House who at one time had been tenant farmers, who had actually worked on a farm; plowed and hoed, and picked cotton and everything else. So, I was a tenant farmer and I know something about farming. I know it from the standpoint of the farmer. And I will be very glad to endeavor to answer the gentleman's question about milk.

MUST TAKE CARE OF FARMER

Now, milk is one of the most important food items. Food is just as important as bullets. Unless you have enough food you cannot win any war. Suppose you only had 90 percent enough bullets in a battle, you would lose the battle just the same. If you have only 90 percent enough food you will likely lose the battle. So we have to encourage production and must not run any risk of having too little food. There are two ways of doing it. One way is to increase the price; get into a race with wages and salaries and cause inflation, which we are all bound to admit, because it increases the cost of living. The other way is to take care of the farmer, who works harder than any other person I know for the money he receives, and under the most adverse and hardship conditions of any person who works. We have to take care of him and encourage him to produce food. So instead of increasing the cost of living and instead of breaking through that line which the Congress has directed the President to hold, there is only one other way we can do it, and that is to tell that farmer: "Now, your labor has increased; your food bill has increased; your other items of expenses have increased and you cannot sell this milk for the price we have fixed on it. So we will make up that difference in a subsidy so as to encourage you to produce." What difference does it make to the farmer if he receives the price he wants, part of it from the Treasury of the United States and part of it from the one to whom he sells, or whether he receives it all from the Treasury or all from the one to whom he sells? It makes

no difference on earth. You are not going to have production unless you take care of that farmer.

Now, under this bill which we are all talking about, whether we name it or not, subsidies will end at the close of this year. All support prices will end. Of all the things that the farmer wants, the one thing he wants more than anything else is to know how much he is going to get for what he raises. We have been able to give him support prices in the past, but under this bill that is brought out you cannot give him any more support prices. Support prices will work to encourage production. Potatoes are a fine example.

Mr. WOLCOTT. Will the gentleman yield right there? I think the gentleman should be corrected.

Mr. PATMAN. Yes; if I am wrong I am glad to be corrected.

Mr. WOLCOTT. If the gentleman reads the bill carefully he will find section 3, in which there is a direction that they will continue to issue support prices, and they will continue to make loans under the so-called Steagall bill. I know the gentleman does not want to be inaccurate.

Mr. PATMAN. The gentleman is bringing up something that was not contended in the committee.

Mr. WOLCOTT. What he means is that the support prices which I announced will stop because they have been using the power to announce support prices in order to effectuate the consumers' subsidies. Then the bill goes on to say that they will continue to announce support prices. It directs them to continue to announce support prices.

Mr. PATMAN. I know what the bill provides. Of course, the gentleman knows. I was in there when the bill was written. The gentleman was there when the bill was written. In fact, it is his amendment. You know he is the author of this high-cost-of-living amendment. The amendment says, if I can read the English language, that all support prices and all subsidies that were authorized before October 13 may go on until December 31. That is all. So they all end December 31.

Mr. WOLCOTT. Will the gentleman yield further?

Mr. PATMAN. I do not yield. Now the gentleman is bringing up something that was not contended in the committee. I never heard it mentioned before. It is a new theory and a new definition and a new interpretation entirely.

Mr. WOLCOTT. Will the gentleman yield?

Mr. PATMAN. I yield.

Mr. WOLCOTT. When the gentleman revises his remarks this evening will he add to them, following the language which he has just quoted, the very next sentence in that section?

Mr. PATMAN. Yes; you know that section 3 is one of the next cleverly written sections that I have ever read. I give the gentleman credit. He is very clever. I presume I should change my statement about no support prices at all to no satisfactory support prices. The prices that will be authorized as support prices un-

der the amendment will be too low to obtain production and therefore the same as no support prices at all. I will insert a comment by Judge Marvin Jones that will bear out the point I am making.

The gentleman from Michigan for the minority Members starts out in the amendment by saying that a subsidy is one of the worst things on earth—a subsidy. No one in the world ought to have to pay anybody else's grocery bill. It is all right to help pay your fuel bill, your rent bill, but it is all wrong to help pay anybody's grocery bill. He is against all kinds of subsidies—provided, however—I wonder why he put it in there—

Provided, however, That this shall not apply to vegetable oils and fats, and oil seeds.

And I should like to ask the gentleman now how he can justify advocating the payment of a subsidy on oleomargarine to benefit one producing oleomargarine, but will not permit it to benefit the man who produces butter.

Mr. WOLCOTT. If the gentleman can imagine oleomargarine being used as a lubricant of munitions of warfare, he is correct in his premise.

Mr. PATMAN. But this is "vegetable oils and fats and oil seeds" whether you eat them or whether you use them on machinery. That is the first time I ever heard of oleo being used for lubrication of machinery.

Mr. WOLCOTT. Let me answer the gentleman's question. We exempted vegetable fats and oils and oil seeds because that is vegetable oil used in the lubrication of the machinery of war.

Mr. PATMAN. Well, butter may be used the same way. You did not exempt butter.

Mr. WOLCOTT. If oleomargarine is used as a lubricant of machinery of war, then the gentleman is correct in his premise.

Mr. PATMAN. Why did not the gentleman exempt other fats and oils if used for that purpose?

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. WRIGHT. In answer to the inquiry of the gentleman from Michigan, there is no restrictive language in that section 3 to those fats and oils that are used as lubricants; it is all-inclusive.

Mr. PATMAN. That is all.

Mr. WRIGHT. The gentleman from Texas is entirely correct when he says that you can subsidize oleomargarine under the bill as it is presently written but you cannot subsidize butter.

Mr. MONRONEY. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. MONRONEY. The distinguished ranking member on the minority side pointed out the mandatory loan provision of the Steagall bill. I am certain the gentleman from Michigan knows that those loans are only 90 percent of parity and that every single essential item necessary to encourage war production of foods is above the 90 percent of parity level. It is a foolish gesture to the farmer therefore to say that this 90 percent mandatory loan provision of the

Steagall bill protects them at this time in their prices.

Mr. PATMAN. It does not. In other words, this principle that is announced here will be antagonistic to what we have done for the farmers.

PAY MORE COST OF WAR

There is one other thing I want to say: We should pay more of the cost of this war as we go along. We should pay it now, because \$1 paid now will equal two or three dollars in the future and also will help keep down inflation. Furthermore it will be in fairness to the men who are winning this war upon the battlefields of the world. It is absolutely wrong for us to sit here and pay no more of the cost of this war and then let the men, the millions of them, go forth to the battle fronts of the world, bare their breasts to the enemy's bullets and come back here injured and maimed, some of them, and have to bear not only the cost of the war but compound interest on it doubled and trebled after they get back. It is absolutely wrong, and for that reason I am respectfully suggesting to my friends that they consider requiring us all to pay more of the cost of the war as we go.

I cannot understand the logic of my friend from Michigan. He brings up a point of view I never heard of before; I never heard it; it is something entirely new to me. He says nothing about it, I never heard him say anything about it, never heard him make any statement about it until he brings it up by just reaching out and clutching it out of the thin air. There is something I cannot understand. My friend is in favor of copper subsidies; he is in favor of lead subsidies; he is in favor of zinc subsidies; he is in favor of rent subsidies, public housing; he is in favor of helping pay the fuel bill of the people in New England through this subsidy on transportation of oil; he is in favor of a subsidy to cottonseed producers and soybean producers, and peanut producers, but he is against a food subsidy.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman.

Mr. WOLCOTT. Does not the gentleman from Texas believe that the gentleman from Michigan is competent to speak for himself as to what he is in favor of?

Mr. PATMAN. He certainly is; and he is one of the most alert and able Members of this body. That is the reason I cannot understand why he would get in that inconsistent position; I just cannot understand it.

Mr. WOLCOTT. I hope the gentleman from Texas will be tolerant enough to allow me in the future to state what I am in favor of.

Mr. PATMAN. The only reason I am mentioning these things now is because I have not been on the committee with the gentleman for years and years and years, and heard him express himself and answer these questions without knowing his views. Now, if I have misquoted him in any way, I yield to him

now to correct me. Is not the gentleman in favor of all these subsidies?

Mr. WOLCOTT. I wish the gentleman would not quote me categorically.

Mr. PATMAN. I ask the gentleman, Do I misquote you? If I do, wherein did I misquote you?

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman.

Mr. WOLCOTT. The gentleman quoted me as being in favor of certain subsidies. I can sum it all up, if the gentleman wants to know my stand.

Mr. PATMAN. I will not yield to the gentleman for a speech. I am not yielding, Mr. Speaker, for a speech.

Mr. WOLCOTT. The gentleman will not yield?

Mr. PATMAN. If I made an error, I will yield to him for a correction of that error.

Mr. WOLCOTT. Although the gentleman asked me a question? Does he want to yield to me further?

Mr. PATMAN. I yield if I made a mistake for the gentleman to correct it, because I do not want any mistake going into this RECORD, but I do not yield for a speech.

Mr. WOLCOTT. Does the gentleman yield for a statement after he has seen fit to quote me categorically? He does not yield to me for a statement?

Mr. PATMAN. I yield for a correction and I apologize to the gentleman if I have misquoted him. I do not believe the gentleman will say I misquoted him.

Mr. WOLCOTT. I can make a statement in one sentence which will correct all the inaccuracies which the gentleman has stated.

Mr. PATMAN. I do not yield further.

Mr. WOLCOTT. Does the gentleman yield?

Mr. PATMAN. I said the gentleman favored the copper subsidy, the lead subsidy, the zinc subsidy, the rent subsidy—

Mr. WOLCOTT. Wait a minute right there.

Mr. PATMAN. Does the gentleman deny that?

Mr. WOLCOTT. Where have you ever heard me say that I favored the rent subsidy?

The SPEAKER pro tempore (Mr. NORRELL). The time of the gentleman has expired.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas [Mr. PATMAN]?

There was no objection.

Mr. PATMAN. Mr. Speaker, the gentleman states I misquoted him on one, and I correct that. He does not deny he is for a lead subsidy, a zinc subsidy, a copper subsidy, and a fuel subsidy, but he said he is not for a rent subsidy. I will say that the gentleman from Michigan [Mr. WOLCOTT] says he is not for a rent subsidy.

Mr. WOLCOTT. I will speak for myself in that respect.

Mr. PATMAN. What is that?

Mr. WOLCOTT. My objection is that the gentleman is attempting to speak for me. I will speak for myself on those things.

Mr. PATMAN. If the gentleman says I have misquoted him, I yield for a correction, but I am not yielding for anything else.

Mr. WOLCOTT. I will correct the gentleman then if he will yield to me.

The SPEAKER pro tempore. Does the gentleman from Texas yield?

Mr. PATMAN. Not for a speech.

Mr. WOLCOTT. I do not think the gentleman—

Mr. PATMAN. Mr. Speaker, I ask for the regular order.

Mr. WOLCOTT. Mr. Speaker, then I make the point of order a quorum is not present. He is not going to say these things about me.

Mr. PATMAN. I will yield for a correction if I have made an error.

The SPEAKER pro tempore. Does the gentleman withdraw his point of order?

Mr. PATMAN. I yield to him to correct any errors that I have made.

Mr. WOLCOTT. My principal objection, if the gentleman from Texas will bear with me—

Mr. PATMAN. I do not yield for a speech.

Mr. WOLCOTT. I object to his quoting me as being in favor of something, or being against something, when it is not based upon facts or anything which I have ever said or that the gentleman has ever heard me say.

Mr. PATMAN. The gentleman heard what I said. He is not denying it.

Mr. WOLCOTT. Mr. Speaker, I withdraw my point of order temporarily.

Mr. PATMAN. He is not denying it, and he will not deny it.

Mr. WOLCOTT. If it means denying it, I will deny it; and I wish the gentleman in his remarks from now on would quote himself. He knows what he believes, I know what I believe, and let me speak for myself.

Mr. PATMAN. The gentleman is able to take care of himself.

Mr. WOLCOTT. Yes; I am.

Mr. PATMAN. I will say, too, that the gentleman not only favored copper and the lead and the zinc and the housing subsidies—he has some question about housing, so I withdraw that—but he is in favor of a subsidy on peanuts, a subsidy on cottonseed, a subsidy on oil seed, soybeans, and all those things. So how can a man consistently say he is against all subsidies if he favors those subsidies?

Mr. WOLCOTT. Will the gentleman yield to me for an answer?

Mr. PATMAN. And he expresses the sentiment of the Members on that side of the aisle.

Mr. WOLCOTT. Will the gentleman yield to me for an answer?

Mr. PATMAN. He is the head man, and he is a good one. He is the head man on the minority side of the Banking and Currency Committee, and they all vote exactly with him on this question. I only refer to him because he represents the Members of the minority party on this question. Nothing personal is intended.

Mr. WOLCOTT. Will the gentleman yield for the answer to that question?

Mr. PATMAN. I will be delighted to yield to the gentleman.

Mr. WOLCOTT. Speaking only for myself but not anybody else, and I am glad of the compliment the gentleman has paid me and, of course, I appreciate it, I have never been against any subsidy being paid by any agency of the Government for the purpose of obtaining the maximum amount of production, whether it had to do with strategic or critical materials or food.

Mr. PATMAN. Let me answer that. How can the gentleman consistently say that when he is opposing a subsidy on dairy products? We can have plenty of production if they could pay the right kind of a subsidy and at the same time keep down the cost of living.

Mr. PHILLIPS. The gentleman from Texas keeps slipping back into copper and lead and zinc and a lot of other things. I am trying to keep the gentleman on the subject he started on, and that was milk and dairy products.

Mr. PATMAN. I thought I convinced the gentleman that was the only way to do it.

Mr. PHILLIPS. If the gentleman's theory is correct—and I respect the gentleman's statement—why is it that the production then is falling?

Mr. PATMAN. I will ask the gentleman this: Does he know any other way to encourage the production of dairy products and farm products without increasing the cost of living?

Mr. PHILLIPS. The answer is yes.

Mr. PATMAN. All right; what is it?

Mr. PHILLIPS. The answer is that we shall set a price for production, and we shall cut out the present method of giving the handlers more than they ever had in peacetimes and more than they expect today.

Mr. PATMAN. The gentleman is not answering my question.

Mr. PHILLIPS. And not increase the cost to the consumer.

Mr. PATMAN. Let me ask the gentleman if he knows of any way to keep down the cost of living. The plan the gentleman is advocating would mean an increase in the cost of living.

Mr. PHILLIPS. That is not correct.

Mr. PATMAN. If the gentleman wants to advocate an increase in the cost of living, that is for him, it is not for me. He has a perfect right to do it. He is responsible to his people, and I am responsible to mine. I have no right to criticize him and he has no right to criticize me. But I have time and again challenged the Members on the other side of the aisle to name a way except subsidies to cut down the cost of living and at the same time encourage production of needed foods.

The Honorable Marvin Jones, War Food Administrator, testified before the Banking and Currency Committee of the House on September 29, 1943, on the bill to extend the Commodity Credit Corporation. In his testimony he outlined what his policy would be on the subsidy program as well as other policies. His statement was as follows:

In appearing before this committee today in connection with the bill to continue the

Commodity Credit Corporation and to increase its borrowing capacity by \$500,000,000, I want to point out at the outset that 1944 is to be an all-out food-production year. All of our thinking must come back to that.

It won't be easy for farmers to reach the high production goals in 1944 with the planned acreage of 380,000,000 acres—16,000,000 acres more even than this year. We must give farmers every financial and physical aid in their effort to produce the largest possible volume of food.

I hope that it won't ever be necessary to draw on the full borrowing capacity of the Corporation for crop loans and price supports. But at the same time, in order to assure production we must be in a position to make good our guaranties to farmers of prices that are necessary to see them through the growing, harvesting, and marketing seasons.

You, of course, are familiar with the effort to stabilize consumer prices. We are also committed to a policy of getting a larger production of food this year than last. This may make necessary some additional support prices.

For 1944 we expect the volume of production to be greater—we hope considerably greater. Farmers' costs will be higher than this year, and so farmer returns will need to be somewhat more.

I believe we should have the authority to make whatever price guaranties may be necessary to get an all-out agricultural production in 1944.

I have stated repeatedly that in the development of the food program we shall put the main reliance upon the farmers themselves, and thus build up the program from the grass roots. It is my intention to continue to consult Members of Congress from time to time as to these programs.

While we are in this meeting today, the farmers all over the country—at every crossroads and in every county—are trying to figure out the best way to increase their 1944 production. We want to help them in every practical way.

We expect that costs of production will not rise as much during this coming year as they have risen during the first 2 or 3 years of the war. But they may rise some. In order to increase production, we want to be able to meet that rise in our farm price supports.

I know that the Nation's farmers and ranchmen will produce an abundance if they have the necessary tools, equipment, and repairs, fertilizer, credit, labor, and a price that is adequate to cover the extra costs and hazards of increased production. We shall continue to drive for every possible physical and financial aid to production.

In my judgment, the best way to get production is to have a definite support price that will last throughout the season. It should be high enough to cover the added risks and hazards that go with increased production and it should be announced early. This means that the Government would stand ready to buy any surplus of a commodity that might not flow into the regular channels at the time, and to absorb whatever loss may be necessary.

As I have indicated, the bulk of the borrowing capacity which is proposed in the present bill will be used in commitments to support prices to farmers at not less than 85 to 90 percent of parity, as we are directed to do by Congress. Even though we don't lend up to the full amount of these commitments, we must stand ready to make good at all times to see the farmers through in return for the great effort they are making to meet all of our food requirements—to keep our boys at the front well fed and our war workers and other civilians at home in the best possible physical condition to produce the guns, the planes, the ships, and other munitions of war.

I want to bring one specific point to the attention of the committee. Under the present law, the Commodity Credit Corporation

cannot sell any commodity except grain for feeding at less than the parity price. Such a provision appears reasonable for commodities that can be stored. However, we are announcing some price supports for perishable commodities. In the case of perishable commodities the Corporation should be permitted to dispose of such commodities at less than parity where necessary to prevent waste of food.

I am also attaching herewith a statement prepared by the War Food Administration relative to the effect of section 3 of the proposed bill and also the program on certain commodities for 1943. It is as follows:

Except for competitive domestic vegetable oils and fats and oilseeds, and the right under section 4 of H. R. 3477 for Commodity Credit Corporation to sell perishable fruits and vegetables if there is danger of substantial loss due to spoilage, section 3 would prohibit Commodity Credit Corporation, or any other Government agency, from making any payments or absorbing any losses for the purpose of reducing or maintaining, or in lieu of increasing, ceiling prices on agricultural commodities or commodities processed in whole or substantial part therefrom. The provisions of this section would compel ceiling prices on such commodities to reflect to producers a price not less than the highest of the following: The support price, the comparable or parity price, or the highest average price received by producers from January 1, 1942, to September 15, 1942.

The probable effect, by commodities, of the provisions of this section on price ceilings and price-supporting activities of Commodity Credit Corporation and other Government agencies would be as follows:

1. Increases in maximum prices.

(a) Such increases as might be necessary in the ceiling price of pork products to reflect not less than \$13.75 per hundredweight at Chicago for good to choice butcher hogs of weights from 200 to 270 pounds.

(b) An increase of 5 cents per pound in the ceiling price of butter.

(c) An increase of approximately 4 cents per pound in the ceiling price of American cheddar cheese.

(d) Increases of as much as \$1.20 per hundredweight on some varieties of dry edible beans and lesser increases for other varieties.

(e) Such increases in the prices of canned corn, tomatoes, green beans and peas, as would be necessary to reflect increases of 25 to 50 percent in the cost of the raw materials and certain approved increases in labor costs.

(f) Increases of about \$45 per ton in the ceiling prices for prunes and raisins.

(g) Increase of at least one-half cent per pound in the ceiling price of sugar in order to reflect the present support price of sugar beets. This increase would apply to all sugar although domestic sugar beets supply only one-fourth to one-fifth of the sugar consumed in the United States.

2. Discontinuation of the support price payment operations being carried out with respect to dry edible beans, canning crops, cheese, prunes, raisins, sugar beets, sugarcane, butter, beef, pork, hay for feeding dairy cattle in the drought areas of Delaware, Maryland, Virginia, West Virginia, and North Carolina, and sales of wheat for feed at less than the cost of such wheat.

3. Since specific support prices have not been announced with respect to beef cattle, the provisions of section 3 would not make it mandatory that ceiling prices on meat products be increased, but if such ceiling prices were not increased, prices to producers probably would be reduced by the amount of the present payments that are being made with respect to beef. A similar situation would prevail with respect to hogs to the ex-

tent that the present payments make it possible for packers to pay more than the support price.

The ultimate cost to the Government of stopping these programs would be several times greater than the losses now being incurred. At the same time, many price ceilings would be more difficult to enforce.

Section 3 would definitely tie support prices to ceiling prices. This would mean that by or before January 1, 1944, in all cases in which price supports are above ceiling prices the ceiling prices would be increased to the support-price level. In connection with support prices for 1944 such prices could not in any case be above the new ceiling price. The practical effect of this would be to freeze support prices at present levels which in many cases would mean substantially less production in 1944.

Estimated losses resulting from price-support commitments and operations due to increased costs are as follows:

Program	Period covered	Estimated loss (in millions)
Commodity Credit Corporation:		
Dry beans.....	1943 crop.....	\$8
Potatoes.....	.....do.....	20
Prunes.....	.....do.....	7
Raisins.....	.....do.....	7
Canning vegetables.....	.....do.....	30
Sugar.....	.....do.....	50
Cheddar cheese.....	1943.....	25
Fluid milk.....	1943.....	5
Oilseeds and products.....	1943 crops.....	60
Feed wheat.....	Fiscal year 1944.....	70
Dairy feed payments.....	1943.....	60
Miscellaneous.....	1943.....	8
Total.....		350
Reconstruction Finance Corporation: Meat and butter.....	June to December 1943.....	200

Section 3 of H. R. 3477 provides that support prices can be continued but any maximum price hereafter established shall not be below the support price therefor or below the prices specified in section 3 of Public Law No. 729 approved October 2, 1942.

In order to refresh the memory of the Members of the House as to just what section 3 is, the section that will stop subsidies after December 31, 1943, and stop support prices except as authorized, which will be unsatisfactory, I am inserting it herewith. It is as follows:

SEC. 3. No funds appropriated to, borrowed by, or in the custody or control of any governmental agency (including any Government-owned or Government-controlled corporation) shall be directly or indirectly used by or made available to the Commodity Credit Corporation or any other governmental agency (including any Government-owned or Government-controlled corporation) to make any subsidy or other payment, or to pay or absorb losses, on any agricultural commodity or any commodity processed or manufactured in whole or substantial part therefrom, including milk and livestock and the products thereof, either to reduce or maintain, or in lieu of increasing, maximum prices established on such commodities, except as provided in section 4 hereof: *Provided*, That with respect to any such commodities for which subsidy programs or support prices have been announced on or before October 13, 1943, such programs may be carried out and such support prices may continue to be maintained to the extent only that funds are available for such purpose under existing law, but not beyond December 31, 1943: *Provided further*, That support prices shall continue to be announced for any such commodities pursuant to section 4 of Public

Law No. 147, approved July 1, 1941, as amended, and loans shall continue to be made pursuant to section 8 of Public Law No. 729, approved October 2, 1942, but any maximum prices heretofore or hereafter established for such commodities shall not be below the support prices therefor or below the prices specified in section 3 of Public Law No. 729; approved October 2, 1942: *Provided further*, That none of the foregoing provisions shall apply to any payments or losses incurred in transactions with respect to competitive domestic vegetable oils and fats and oil seed.

WAR FOOD ADMINISTRATOR COMMENTS ON SECTION 3

At my request the War Food Administrator, the Honorable Marvin Jones, commented upon this section for my information. His letter is inserted herewith. It will be noticed that Mr. Jones states in one part of his explanation:

This will involve some subsidies, but they are subsidies that are established primarily for the purpose of securing production, and the expenditures will be much less, both on the part of the Government and on the part of the public, than if the stabilization line were broken.

The entire letter is as follows:

WAR FOOD ADMINISTRATION,
Washington, October 21, 1943.

HON. WRIGHT PATMAN,
House of Representatives.

DEAR WRIGHT: In response to your request, I am enclosing a statement prepared in the War Food Administration showing the probable effect by commodities of the provisions of section 3 of the proposed commodity credit bill, should it be adopted in its present form. I believe this analysis is substantially correct and is as accurate an estimate as can be made at this time.

The Commodity Credit Corporation already is in operation support prices on a number of different commodities. These were instituted in order to maintain the present ceiling prices and at the same time secure the necessary war food production. They will involve a loss of approximately \$350,000,000 for the year 1943. A table showing the losses in the food program for 1943 is hereto attached.

We have included in both the attached analysis and the table R. F. C. losses for 1943 (as estimated by that agency), since the proposed bill as now worded would affect that agency.

To adopt the bill in its present form would require one of two things:

1. The lifting of all ceiling prices to support price levels, both those now prevailing and any that may be established in the future. This would jeopardize the entire stabilization program.

2. The other and more probable effect would be to reduce all support prices to present ceiling prices. This would materially hamper production.

It seems to me that it would be wise to permit the continuation of the present program of the War Food Administration and to leave no stone unturned in our efforts to produce the necessary food for the coming year. This will involve some subsidies, but they are subsidies that are established primarily for the purpose of securing production, and the expenditures will be much less, both on the part of the Government and on the part of the public, than if the stabilization line were broken.

If section 3, in its present form, is included in the bill, it will practically destroy the support price program. Carrying forward the support price program will involve some losses. This, however, would apply only to the commodities where the support price must be above the level of ceiling prices if we are to secure the necessary war food production.

The support price program for this year has involved the loss of only about \$350,000,000. It has resulted in tremendous production. We will need even greater production in the coming year. The adoption of the bill would force a complete change, embark us on a course of great uncertainty, and jeopardize beyond measure our prospective 1944 production, which is vital to the war effort. This program has not only enabled us to realize these goals but to secure production in excess of the goals that were established.

We would like to suggest one of three courses in connection with this measure:

1. Strike out all of section 3. This would still leave the Commodity Credit Corporation's activities limited by the provision in the Agriculture Appropriation Act which forbids the selling of Government owned or controlled commodities below parity, with certain exceptions named in that provision.

2. If the Congress decides to retain section 3, we feel that it would be wise if an amendment were attached which would permit the Commodity Credit Corporation to use not exceeding \$600,000,000 for the year 1944, along the lines of our present price support program. The clause respecting any other agency should be eliminated, since such questions should be determined when that agency is before the committee.

3. If it is decided to retain section 3 without any provision as to funds, we suggest the amendment set out in draft B, attached hereto. This latter would have the effect of permitting the continuation of a program along similar lines to that now being maintained, subject to the limitations set out in the Agriculture Appropriation Act.

We feel that the language as reported by the committee in section 3 would completely tie the hands of the War Food Administration and that section 3 should either be completely eliminated or modified somewhat along the lines suggested in the proposed amendments.

Sincerely yours,

MARVIN JONES,
Administrator.

THE GROUPS SECTION 3 WILL FURTHER DEPRESS
BY INCREASING THEIR COST OF LIVING

The proposal to include section 3 in H. R. 3477 is nothing more or less than a proposal to increase the cost of living. There is no other way that I know of that will permit the President to hold the line on prices, wages, and salaries except through the use of subsidies. Our opponents have been challenged repeatedly to suggest an alternative, but they cannot suggest one. Therefore, they are in effect openly advocating an increase in the cost of living and, indirectly, runaway inflation. I am inserting herewith a table showing the number of people who are receiving fixed incomes of different types and who will be quickly and very seriously affected by any cost-of-living increase. It is as follows:

Recipients of fixed incomes, by type of payment¹

	Number of recipients (millions) ²
A. Public assistance.....	2.94
1. Old-age assistance.....	2.17
2. Aid to dependent children.....	.31
3. Aid to the blind.....	.08
4. General relief.....	.38

Footnotes at end of table.

B. Government salaries.....	4.58
1. Federal (excluding military) ⁴	1.34

2. State and local (excluding public education).....	1.92
3. Public education.....	1.32
C. Military allotments ³	4.75
D. Veterans' pensions.....	.86
E. Old-age and survivors' insurance.....	.69
1. Lump-sum payments.....	.01
2. Monthly payments ³.....	.68
F. Railroad retirement ⁴.....	.16
G. Civil-service pensions ³.....	.07
Total.....	14.05

¹Excluding interest, rents, and military pay; exclusive also of life-insurance payments, which are not available.

²Only recipients are indicated. Reliable data on the total number of persons dependent upon fixed incomes (i. e., recipients and their dependents) are not available. It may be estimated by the Wage and Hour Division of the Department of Labor that approximately 6,000,000 workers are currently receiving wages of less than 40 cents an hour.

³May 1943.

⁴Latest monthly data.

⁵Army, October 1943; Navy, August 1943.

Sources: Public Assistance and Old Age and Survivors' Insurance, Social Security Board; Veterans' Pensions, Veterans' Bureau; Federal Employment and Civil Service Retirement Benefits, United States Civil Service Commission; State and Local Government Employment, Bureau of Census; Public Education, Constants used by Bureau of Census; Military Allotments, War and Navy Departments; Railroad Retirement, Monthly Review of Railroad Retirement Board, includes retirement operations and lump-sum death benefits.

PRICES—THIS WAR COMPARED WITH LAST

I am also inserting herewith a table showing how the cost of the war has been held down and how the cost to consumers in our country has been held down during this war as compared with World War No. 1. It is as follows:

Percentage increase in the cost of living after 48 months of war—World Wars No. 1 and 2¹

	World War No. 1	World War No. 2
	Percent	Percent
Cost of living, total.....	50.3	24.9
Food.....	63.9	46.7
Clothing.....	85.3	28.5
Rent.....	3.2	3.5
Fuel, electricity, and ice.....	35.2	10.6
Household furnishings.....	77.2	24.8
Miscellaneous.....	49.9	15.7

¹World War No. 2 data show change between August 1939 and August 1943, except for rent, where the latest available figure is for June 1943. World War No. 1 data show changes between July 1914 and July 1918, except for fuel, electricity, ice, and miscellaneous. No monthly data are available for these categories; therefore the figures show the change from the yearly average of 1914 to the yearly average of 1918.

Source: U. S. Department of Labor, Bureau of Labor Statistics.

COPPER, LEAD, AND ZINC SUBSIDY

I am inserting herewith a table showing how the copper, lead, and zinc subsidy has worked in the public interest. The subsidies on these three products have saved the consumers, including the Government's war cost, more than

\$2,000,000,000 for the year 1943. It is as follows:

Difference between cost of copper, lead, and zinc under highest prices reached during World War No. 1 and under present premium price plan

	Copper	Lead	Zinc	Total
1. World War No. 1 highest price (cents per pound).....	37	12 $\frac{3}{4}$	27	.....
2. World War No. 2 ceiling price (cents per pound).....	12	6 $\frac{1}{2}$	8 $\frac{1}{4}$	.....
3. Difference (cents per pound).....	25	5 $\frac{3}{4}$	18 $\frac{3}{4}$	.....
4. 1943 production (million short tons).....	3.2	1.0	1.3	.....
5. Cost of difference between ceiling price and World War No. 1 high (millions of dollars).....	1,600	115	488	2,203
6. Premium payments (millions of dollars).....	35	9	34	78
7. Net difference (millions of dollars).....	1,565	106	454	2,125

I am also inserting herewith a table showing the net savings to consumers of fuel oil in the New England States by reason of subsidies on transportation. It is as follows:

Savings from subsidy on transportation of petroleum products into district 1

	Average per barrel	Aggregate
	Dollars	Millions of dollars
1. Price increase that would be required without subsidy.....	1.20	606
2. Actual price increase.....	.43	216
3. Gross saving.....	.77	390
4. Subsidy.....	.20	100
5. Net saving.....	.57	290

Mr. MURRAY of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Wisconsin.

Mr. MURRAY of Wisconsin. Without making any argument on the subsidy question, I simply wish to call the attention of the gentleman from Texas to the fact that on December 1 the O. P. A. and its sister agencies forced a subsidy on the cheese industry of Wisconsin without asking the cheese industry or the cheesemakers or the men who produce the milk or produce the cheese. If the gentleman will take the time to look up the record, he will find that every month since December 1, 1942, there has been a reduction in the production of cheese. If a subsidy is going to increase production, that is one thing, but if it is just a plaything for some super-duper federally financed agency, that is another thing.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. BOREN. Mr. Speaker, I ask unanimous consent that I may have until midnight tonight to file a report from the

Special Committee on Interstate and Foreign Commerce.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. **VURSELL**. Mr. Speaker, I ask unanimous consent that tomorrow, following the legislative program of the day and any special orders heretofore entered, I may be permitted to address the House for 10 minutes.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The **SPEAKER** pro tempore. Under special order heretofore granted by the House, the Chair recognizes the gentleman from Oregon [Mr. **ELLSWORTH**] for 30 minutes.

THE ALUMINUM SITUATION

Mr. **ELLSWORTH**. Mr. Speaker, the facts concerning the production of aluminum, its present supply and control of both the production and raw material sources seem to me to present a picture shadowed with the gravest of implications. This picture, involving as it does, the very safety of our Nation is one which cannot longer be ignored. The factual record seems to be unmistakably clear. No matter whose figures are used, it is evident that the vital problem of a future supply of aluminum has been and is being shockingly mishandled. The present critical state of our vital aluminum supply, highlighted by a series of conflicting and contradictory statements dating back to December 1939, demands a full and complete examination and discussion. The motivation responsible for this situation should be searched out and brought to light.

Apparently at no time during the last 4 years has a long-range over-all plan for aluminum production and future supply been clearly and concisely outlined by anyone. Let me cite a few items from the printed record on this subject appearing in the daily press. On August 12, 1939, Mr. I. W. Wilson, vice president of the Aluminum Co. of America, testified in the antitrust suit that Alcoa can "supply the United States Government, both Army and Navy with all the aluminum it will require for national defense within the next year" and "a substantial surplus" for the British "on top of ordinary domestic requirements."

Then, 1 year and 3 months after that, on November 25, 1940, in fact, President Arthur E. Davis of Alcoa, in a letter to a customer, the Reynolds Co., made this statement:

Just now we are rather hard up for aluminum. No further commitment on our part is possible.

However, just 3 days later, on November 28, Marion B. Folsom, expert adviser on aluminum for the National Defense Advisory Committee stated:

There is certain to be plenty of aluminum for this country's military and civilian requirements with the British plane program

in addition. If necessary the United States can supply all the aluminum, without recourse to sources abroad. There is ample ore in Arkansas for all needs for several years. There is no need for priorities in the aluminum industry because expected production will allow for increases in civilian use.

But less than 1 month later, on December 24, 1940, newspaper headlines read, "United States aluminum shortage reported — National Defense Advisory Committee considers mandatory priorities." The story went on to say that Northrup Aircraft Corporation announced on December 23 curtailed production because of the aluminum shortage. Then, a few days later on December 29, Mr. Stettinius, then chairman of the National Defense Advisory Committee, contradicted that by saying that there was no serious shortage in aluminum supply for aircraft and other military items now required for national defense.

However, just a half month later on January 15, 1941, Glenn L. Martin reported that slow aluminum deliveries were delaying plane production and the House Naval Affairs Committee held hearings and received testimony concerning delay in aluminum deliveries holding up plane production.

Just 1 month later the New York Times remarked editorially:

It is a temporary sort of bottleneck that seems to have occurred lately with regard to aluminum.

But the Times was too modest in its statement, because less than 10 days later on February 24, mandatory priorities on aluminum were placed in effect by the Office of Production Management and Mr. Stettinius stated that the situation had changed within 2 months.

A week later on March 1, the Office of Production Management announced that most of the current aluminum supply would be required for defense. And, 2 weeks later on March 15, announced rationing of aluminum for civilian uses with cuts ranging up to 75 percent.

Those confusing statements were all made within a period of slightly more than a year and they serve to illustrate the almost total lack of knowledge by those in authority on the subject of aluminum needs and aluminum production.

It soon became evident, however, with the need emphasized by the sharp step-up in airplane production, and with plans for the future calling for heretofore unheard of numbers of planes, that the aluminum problem for war was much too large a one even for the gigantic Aluminum Co. of America, and a genuine program of increased aluminum production was then launched. The success of the program to increase aluminum production is unquestioned. Our highest production prior to the war was 200,000 tons per year. A really brilliant job of plant expansion, accomplished by the War Production Board with the cooperation of the Defense Plant Corporation, the Aluminum Co. of America, the Reconstruction Finance Corporation, and the Reynolds Metals Co., has multiplied aluminum production more than six

times. Our production this year will run to 1,250,000 tons.

Mr. Speaker, I wish I could conclude my speech at this point for I have recited what is apparently a success story. It is a story told us over and over again and is a story of achievement in which we may well take great pride. Less than 2 weeks ago, in fact, Mr. Charles E. Wilson, acting head of the War Production Board, told a group of Members of Congress, of which I was one, that the aluminum situation for war was in splendid shape and, to use his exact words, he said, "We have so much aluminum that it is running out of our ears." Mr. Wilson was obviously proud of the achievement of the War Production Board in thus meeting the emergency need for aluminum.

But the story of the current large production of finished aluminum just recited is not the whole story. It represents merely the show window of the true aluminum situation. I cannot imagine how Mr. Wilson or anyone else can find pride or comfort in the actual facts of our aluminum supply situation.

Mr. Speaker, I will now endeavor to set forth some of the facts behind the afore-mentioned window dressing. These facts may be obtained or verified by anyone from easily available sources.

Two principal steps are required in the production of aluminum: First, a fine white powder called alumina must be extracted from the ore by a process of crushing, washing, and chemical action. Secondly, alumina is then converted into the product we know as aluminum by an electrolytic process. The principal raw material or ore from which alumina is obtained is known as bauxite. As the industry now operates aluminum cannot be made unless there is alumina to make it from, and the alumina cannot be obtained unless we have bauxite from which to obtain it. In other words, our splendid plants constructed and equipped and producing 1,250,000 tons of aluminum annually are just so much junk unless they have available to them the raw material from which to produce the finished aluminum. Obviously then, we should have readily available vast stores of bauxite.

But we do not have a supply of bauxite in the United States to last longer than 2 years.

Estimates of the remaining bauxite deposits in this country vary widely. The aluminum industry is geared to the production of alumina from high-grade bauxite. Of this material there is probably not more than 8,500,000 tons remaining although there is a reliable estimate that I have seen that lowers this figure to less than 6,000,000 tons. Translated into time, this supply of bauxite remaining in the United States will maintain our aluminum industry which uses 7,000,000 tons annually, approximately 1 year. When that supply of high-grade bauxite is gone, it is gone forever. So far as it is known today there are no more deposits of high-grade ore worth mentioning. About a year ago the Bureau of Mines sent out

20 exploration parties to hunt new bauxite supplies. These explorations are still going on and it is reported that some 6,000,000 tons or more have been located. But not much of this ore is considered high-grade material and the aluminum industry is definitely geared to the use of high-grade bauxite. If we include the low-grade ore deposits along with the remaining high-grade ore, we probably have enough bauxite, both low and high grade, to run the aluminum industry at its present rate for 3 years. I am informed, however, that the processes for using the low-grade ores, the term "low grade" meaning bauxite containing more than 8 percent silica, are not yet completely successful and it is reliably stated, also, that new discoveries of bauxite deposits are deep in the ground and contain more iron than current reduction processes can cope with. In addition to this, more than a year would be required to do the necessary preliminary mining work. I think, therefore, that we must conclude that the available and dependable supply of bauxite, including a usable amount of low-grade ore, cannot be counted upon to last longer than 2 years from this date.

How then can our sorely needed production of airplanes be continued, when our bauxite supply is gone? The answer is that it is entirely possible that it cannot be continued at all if war reverses should stop our bauxite fleet. If plane production is continued, it will only be by the use of vast amounts of shipping space and with the sacrifice of lives of sailors and gun crews plus the maintenance of a small army of occupation in a country with which we are not at war.

A large portion of the bauxite ore we are now using comes from Dutch Guiana in South America and must be shipped up the Atlantic coast and through the Caribbean Sea. The bauxite for the Canadian aluminum plants which we supply is shipped up the Atlantic coast from British Guiana in South America to the plant in Canada. Dutch Guiana is our principal source of the raw material from which aluminum is made, and presently, when the Arkansas deposits are gone, it will be our only source of this material unless steps are taken immediately to secure a supply of raw materials from other and readily available sources within the United States.

Bauxite is not the only raw-material source for the production of aluminum.

It is possible to produce alumina from aluminum-bearing clays, which exist in many parts of the United States in unlimited quantities. This is not a new and suddenly discovered fact. The Aluminum Co. of America, the War Production Board, and the Bureau of Mines have known about processes for extracting alumina from clay for a considerable time. Even though scientists have long ago checked and approved at least five different processes for obtaining alumina from clay, only a mere handful of alumina is now being produced from that source. In spite of all of the facts I

have just stated, the War Production Board not long ago announced a decision denying the construction of plants in the United States for the perfection of three processes for producing alumina from clay.

The history of the several efforts which have been made to get preliminary plants for the production of alumina from clay into existence is a record of delay and disappointment. Although such development should have been started more than 2 years ago, it has not yet begun, and there is no evidence as of this hour to indicate it ever will be begun on a scale that will insure national security of an aluminum supply in the face of any war reverses.

On March 16, 1941, a detailed proposal for the construction of a plant for the production of alumina from domestic alunite, a type of aluminum-bearing clay found in the State of Utah, was presented to the Interior Department and defense officials by responsible individuals. This proposal was promptly acted upon by the Bureau of Mines, which reported favorably on the proposal on April 18, 1941. On July 6, approval of the alunite process was announced. However, emphasis was still being placed on bauxite importation, and on June 17 of the same year, 1941, Arthur E. Davis, chairman of the board of the Aluminum Co. of America, testified before the Senate committee, expressing concern over the inability to obtain enough ships to get bauxite ore into this country from South America.

In November 1942, after considerable investigation, engineering, and chemical study, several developers of processes for producing alumina from clay appeared, but at that time it was stated that the processes were not sufficiently developed. But oddly enough, along with that announcement came a statement that plans were already being made for the expansion of alumina production from monopoly controlled bauxite from Dutch Guiana.

Early this year, however, the National Academy of Sciences approved three new processes for the development of alumina from clay. The Academy gave its approval for the construction of minimum size plants in three regions, one in the South, one in Wyoming, and another in the Pacific Northwest. By midyear all three proposals had cleared the various steps and were finally approved for construction by the War Production Board. But on or about the 18th of July, approval for construction of the plant in the Northwest was withdrawn because of an alleged shortage of manpower in Oregon and Washington, and early in September, it was learned that approval had been canceled by the War Production Board for the construction of the other two plants on the ground that the development of alumina from clay was unnecessary. Mr. Speaker, I hesitate to make what some might consider an attack upon a business enterprise, an industry, if you please, that has loyally endeavored to meet its war-production obligations. Nevertheless, in order to pre-

sent a clear and understandable picture of this entire situation, I must speak plainly, very plainly.

Until very recently, the Aluminum Co. of America was the only producer of virgin aluminum in the United States. It has held this unique and very profitable position for 53 years. Down through the years, this company did a good job of improving its methods and of finding new uses for aluminum and of getting widespread distribution of the metal for the benefit of the people of the country. During that period, also, the cost of aluminum was reduced from about \$8 per pound to a few cents per pound. The company has always been ably managed and very farsighted. The amount of bauxite available in the United States being limited, this company soon obtained control of most of the entire available supply. The next most easily accessible source was in South America in Dutch Guiana and now the Aluminum Co. of America controls nearly all of the deposits down there. The remainder, I am told, are controlled by the British Aluminum Co.

Until the Reynolds Metals Co., formerly producers of metal foil wrappers, went into the business of producing straight aluminum, obtaining part of its alumina from a limited supply of ore near Lister Hill, Ala., the Aluminum Co. of America had a complete and total monopoly on aluminum production. It still controls 93 percent.

When we entered the period of war emergency and the time of need for vastly expanded aluminum production, this monopolistic situation had both great advantages and equally great disadvantages. The advantages consisted principally of large production with centralized control and a single producing company with which to deal. The disadvantages of the monopolistic situation in the aluminum supply are not so simple to enumerate nor so easy to identify. Being the sole and only producer of aluminum, the only knowledge of aluminum production available to Government war agencies came obviously from the Aluminum Co. of America. Practically all known supplies of raw material were controlled by the company. And there must still exist a very natural desire on the part of the owners and operators of the Aluminum Co. of America to protect its position and not permit the war emergency to destroy its very profitable monopolistic control of the vital metal.

If aluminum could be obtained in no other way than from bauxite, we doubtless would have to accept the situation as we find it and continue to run the risk of protecting bauxite shipping supply lines from South America. We might also have to continue to obtain our aluminum solely from a monopoly corporation. But there is another way of obtaining aluminum. It can now be obtained from clay. There is so much aluminum-bearing clay in the United States that a monopolistic control of the source of aluminum ores could not possibly be obtained by the Aluminum Co. of America

or any other corporation. In other words, the necessity in the interest of national security to provide a domestic and dependable and inexhaustible supply of alumina from clay will in fact destroy the 53 years complete supremacy in aluminum production enjoyed by the one company. It is not reasonable therefore to believe that this company would seriously lend any of its knowledge or any other help to proposals to establish alumina production from clays abundantly available in the United States. Least of all would the Aluminum Co. of America want to see the vast deposits of aluminum-bearing clay in the States of Oregon and Washington opened up and developed. Approximately 40 percent of all war aluminum production is in those two States. The manufacture of aluminum requires vast amounts of electricity. Cheap hydroelectric power is available from the enormous dams on the Columbia River at Grand Coulee and at Bonneville. The amount of aluminum produced from the Columbia River power plants within the last 12 months is equivalent to the metal requirements of 70,000 fighting planes. With power cheap and plentiful there and with alumina available from clays almost at the door of the plants, it is easy to visualize peacetime production of aluminum for the people of this country at unheard-of low prices and manufactured by numerous privately owned and competing enterprises. But if aluminum is not developed from Northwest clay deposits or from any other United States clay deposits, in commercial quantities, the Aluminum Co. of America will continue to enjoy its monopoly.

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. ELLSWORTH. Briefly, for a question.

Mr. HAYS. First I compliment the gentleman very much and appreciate what he is giving us in the way of information. I come from the State of Arkansas, where we have this large supply. I wondered if the gentleman was aware of the efforts being made to deal with this iron-content problem in the supply of bauxite, that is available in Arkansas, and if he can enlighten us on the possibility of that relieving the situation?

Mr. ELLSWORTH. I can only say that my information is limited. It is known that there are new discoveries, and that they do have a high percentage of iron. The Bureau of Mines tells me there is some doubt about the efficiency of the process for obtaining alumina from bauxite which has a high iron content and therefore they do not really know as yet what the production from these deposits will be.

Mr. HAYS. The available supply, according to my information, is in the hands of independent owners.

Mr. ELLSWORTH. Of the new deposits?

Mr. HAYS. Yes.

Mr. SPARKMAN. Mr. Speaker, will the gentleman yield?

Mr. ELLSWORTH. Yes.

Mr. SPARKMAN. First, to compliment the gentleman on the dissertation that he is giving us on this all-important subject, and in connection with that to ask him if he has familiarized himself with the Walthall process, that was announced some 2 or 3 years ago by the Tennessee Valley Authority, the so-called process of extracting alumina from clay. In that connection I would like to say that about a year ago in a conversation with Dr. Miller, the Chief Chemist of the Tennessee Valley Authority, he told me that he was confident that with that process at its then point of development aluminum could be produced in quantities at 15 cents per pound, which was the then prevailing price of aluminum, and I saw him actually making aluminum in a pilot plant, capable of turning out 1 ton a day.

Mr. ELLSWORTH. I thank the gentleman for his observation, and I know that is correct, and I believe that process is now one of those under discussion. Is that the one located in South Carolina?

Mr. SPARKMAN. As I understand it, these plants to be located do not confine themselves to any particular process but would concern themselves with the supply of the entire field, the use of both clays and low-grade deposits.

Mr. ELLSWORTH. Different processes are known. They do work, but they have been delayed in the matter of development.

Mr. ANGELL. Mr. Speaker, will the gentleman yield?

Mr. ELLSWORTH. Yes.

Mr. ANGELL. I, too, compliment the gentleman on this very fine study of this important problem, and I ask if it is not true that there are a number of processes that have been approved by scientists and experts, who have given as their judgment the workability of that process, so that alumina may be developed from a number of different deposits which are located throughout the United States, for which we may obtain the raw materials to make aluminum.

Mr. ELLSWORTH. I shall answer the gentleman by saying that it is very well known by Government agencies and many private individuals that there are at least six processes known to be proven and approved by the National Academy of Sciences, and passed by the Young committee, and at one time passed by the War Production Board but later three of them were withheld from development.

In time of peace we can and we have paid the prices as set by monopolies in various fields. We either pay the price or we go without—and undesirable as that situation may be to the public, it is not one that involves loss of life or any danger to national security.

But in time of war, the price we seem to be paying and perhaps shall continue to pay as a result of monopoly control of the vitally essential material, aluminum, is a large one indeed, for we are paying not only with money but in blood as well. It is a costly and dangerous business to ship bauxite ore from Dutch Guiana up the Atlantic coast to the United States. But we are doing it and have done it for

years and we will continue to do it on an expanding basis unless we have the wisdom to break the monopoly hold and establish the alumina from clay industries in the United States.

Hundreds of sailors have paid with their lives in an effort to keep the bauxite fleet running from Dutch Guiana. It would not be proper to reveal exact figures at this time, but I can tell you this, we have already lost more sailors and gun crews from bauxite boats than we would need in manpower numbers to build an alumina-from-clay plant in the Northwest. And yet they talk about a manpower shortage and cite it as the reason for not allowing that construction. To maintain even the present rate of importation of bauxite, the annual requirement is 200 shiploads, and let me point out that each ship carries a crew of from 40 to 60 men, including the gunners. That takes manpower.

General MacArthur and General Eisenhower would, I am sure, be very happy to receive 200 more shiploads of supplies of planes and ammunition each year the war goes on.

Nor is everything sweetness and light down in South America where this bauxite is mined. I am sure, Mr. Speaker, the Members of this House will recall that it was necessary to send troops to Dutch Guiana to protect the bauxite mines in that country with military force in order to prevent sabotage and disorders of the native population and to protect our supply of bauxite. I have never heard that those troops have been recalled. We still maintain this army there as a part of the price we are paying to protect a monopoly aluminum supply. I checked on that matter this morning, with both the War Department and the State Department, and I am told that the troops are still in Dutch Guiana and probably will remain there. And yet they say that manpower cannot be obtained to build a small plant for the development of alumina from clay in the Northwest. Only some 300 men would be needed.

I do not know what rate of wages the native miners of Dutch Guiana receive but I believe it is a fair guess that they are not paid anywhere near as much as are the American workmen who operate the bauxite mines in Arkansas.

Possibly the difference in wages is the reason, or there may be other reasons, but as of October 1, the mining of bauxite from our dwindling resources in Arkansas was reduced 65 percent, and the loyal miners who have toiled and strained to keep our aluminum plants producing by jumping their production from 100,000 tons per month to 700,000 tons per month are being laid off or put into other work.

I have had some interesting correspondence from the head of the International Union of the Aluminum Workers of America which I shall place in the Record at another time. The miners know this story and do not like it. I quote the concluding sentences in the letter written on October 4 this year by the head of Aluminum Workers of American Union to Mr. Arthur H. Bunker, Director

of the Aluminum and Magnesium Division of the War Production Board:

Now along comes W. P. B. threatening to institute a strike of its own which will cut production 65 percent. I shall not "sell" this scheme to the Arkansas miners, not until the seaman tell us that the bauxite route is once more safe, not until the War Shipping Administration tells us that they have enough ships for the war fronts and not until the War Manpower Commission shows us that shortage of Arkansas labor is more crucial than the shortage of seamen. Until such time my conscience compels me to denounce your order and instruct our members to insist on continuing to get out the bauxite.

Mr. NORRELL. Mr. Speaker, will the gentleman yield?

Mr. ELLSWORTH. Yes.

Mr. NORRELL. Most of the bauxite deposits are in Arkansas in my own district. What the gentleman said is correct. There is no shortage of labor. We had a number of contractors who were induced to go in there and start production. Some of them have been laid off entirely. Others have been reduced in their quantity of production and many of them are going broke. They do have a very large reserve of bauxite, probably four or five million dollars worth, enough maybe to last this country a year, but it is deplorable that with that amount in reserve, production has been discontinued.

Mr. ELLSWORTH. It is even more deplorable when we realize that the curtailment of 65 percent does two things. The employment goes to labor in South America when we do not have a labor shortage in Arkansas, and this curtailment compels additional sailors to risk their lives in bringing the bauxite here from Dutch Guiana.

There is another and very heavy and serious wartime price we are paying for the maintenance of the monopolistic situation of the Aluminum Co. of America. The rail transportation burden is very heavy. The Oregon and Washington aluminum plants use a total of about 600,000 tons of alumina per year. Alumina, which is obtained from imported and domestic bauxite, is a white powdered sugar type of war material that is used to feed the aluminum manufacturing plants, and is extracted from the ore in only three plants, all of which are located in the Southeast section of the country, in Arkansas and Louisiana. The average distance of shipment, therefore, from these alumina producing plants to Northwest alumina reduction plants is 2,600 miles.

Assuming that this alumina is shipped in standard freight cars having a capacity of 80,000 pounds, a total annual movement of 15,250 cars is required to maintain the Oregon and Washington aluminum production. This amount of rail shipping continually ties up some 650 freight cars in loading, in transit, and unloading. Although when the entire amount of railroad freight capacity is considered, this item of 650 cars does not represent an extremely large percentage of the total. Nevertheless it is a substantial amount. And under present circumstances when our transportation facilities are loaded to the maximum, when freight trains are moving night and day and at fast speeds, and still unable to quite keep up with de-

mands, the additional burden of equipment requirements for alumina transportation to the Northwest could and should be relieved.

In terms of our future security, no matter how short the war turns out to be, and certainly no one can predict its length either in months or in years, it is essential that the clay processes be developed to commercial scale operation. Even if we did not use another pound of Arkansas bauxite, the reserves there are inadequate to support any future emergency aluminum program just as they have proven inadequate for this war.

The immediate development of United States alumina from clay processes is therefore absolutely necessary in order to provide security of supply for aluminum in the future, to save the lives of sailors and gun crews, to relieve protective troops now on guard at the South American bauxite mines, to relieve the burden on both ocean and rail shipping, and for the future as a guaranty of free competitive enterprise. There can be no bona fide excuse for further delay in developing domestic alumina production.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate disagrees to the amendment of the House to the bill (S. 763) entitled "An act amending the Selective Training and Service Act of 1940, as amended, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. REYNOLDS, Mr. THOMAS of Utah, Mr. JOHNSON of Colorado, Mr. HILL, Mr. AUSTIN, Mr. BRIDGES, and Mr. GURNEY to be the conferees on the part of the Senate.

AMENDING THE SELECTIVE TRAINING AND SERVICE ACT OF 1940

Mr. SPARKMAN. I ask unanimous consent to take from the Speaker's table the bill (S. 763) amending the Selective Training and Service Act of 1940, as amended, and for other purposes, with House amendments, insist upon the amendments of the House, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama? [After a pause.] The Chair hears none and appoints the following conferees: Mr. MAY, Mr. THOMASON, Mr. COSTELLO, Mr. KILDAY, Mr. ARENDS, Mr. ELSTON of Ohio, and Mr. HARNES of Indiana.

PERMISSION TO ADDRESS THE HOUSE

Mr. GREEN. Mr. Speaker, earlier in the day I was granted permission to address the House for 15 minutes following the gentleman from Tennessee [Mr. McCORD]. The gentleman from Tennessee has kindly consented that I may proceed at this time.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

RURAL ELECTRIFICATION IN FLORIDA

Mr. GREEN. Mr. Speaker, something is happening—something dramatic and fundamental—to the way of life itself

on the American farm. Because we who constitute the legislative and executive branches of this great democracy are responsible for this phenomenal change, we should, in my opinion, give serious thought to what it means in the present and in the future.

I am speaking of rural electrification, not only in my own State of Florida, but in the 46 States whose farm people are being served with electricity through the rural electric cooperatives.

When we of the Congress set up the Rural Electrification Administration 8 years ago to sponsor and guide and lend money to farm cooperatives, little did we dream that within such a short time 1,300,000 farm people would avail themselves of what has become such a truly great development.

It is the purpose of R. E. A. to carry electricity to farm communities which have not been able to receive it from other sources. Owing to high operating cost, municipal power plants and privately owned utilities have not been able to embark extensively upon service in rural communities. To carry current to isolated farms would mean loss of money to the municipality or to the company. Farmers themselves doing their own management economically are able to serve themselves with electrical current at a minimum cost and without money loss. In Florida as a whole, friendly electrical service relations exist and R. E. A. is bound to expand in sparsely settled rural areas.

THE SITUATION WAS OVERRIPE

There must have been some reason for the success of this program—and that reason today is obvious. Only 10 percent of the farm people of America enjoyed the blessings of electricity in their homes when R. E. A. was born. The farmers in the South and the North and East and the West had been gradually becoming poorer and increasingly discontented for more than a decade. No one seemed to understand just why. Perhaps there were many reasons, but this one significant fact stands out: This had become an electrical age in which, throughout commerce and industry, 2 cents worth of electricity was doing the daily labor of one man. Farm people found themselves still pumping their water by hand; still milking their cows by hand; still hauling their feed to town for grinding; still washing their clothes by hand; still using the old wood or coal cook stoves; still spending hot hours over the old flatiron; still without refrigerators in their homes; still without radios. It is true that the farm does not lend itself as easily to electrification as does commerce and industry, but it is also true that with electricity the farmers can substantially increase their incomes; lighten their burdens; improve their health and add to their comfort and happiness in living.

During all the 19 years I have served in the Congress, I think I have never done anything of which I am today more justly proud than my support of not only the original Electrification Act but subsequent legislation as well. The rural electric cooperatives of America—private successful corporations of farmers—are, I am happy to observe, today serving

approximately 29 percent of America's farm homes. In my State of Florida there are 12 cooperatives serving a total of 8,339 farmers. What is more important perhaps for our immediate consideration is the fact that in the United States there are 6,000,000 farm homes and farm establishments still unserved, and in my State of Florida alone there are 42,648 still unserved.

THE RECORD OF THE "CO-OPS" IN FOOD PRODUCTION

Mr. Speaker, when the prediction was made that during the year 1942 more food would be produced than during any other year in our Nation's history, we heard the cry from the far corners, "It can't be done." People everywhere were conscious that the farm boys and the farmhands and, in many cases, the farm operators had gone to war. One out of four of them had left the farm to either enter the armed forces or work in the war plants. There was fear that the country's food supply might dwindle to an all-time low. But those who held such fear had failed to reckon with this new force in the farm economy—with this new servant who had come to replace the boys who had answered their country's call. Senator George Norris, coauthor of the R. E. A. Act, speaking of this new force at the first national convention of the National Rural Electric Cooperative Association in St. Louis last January, said:

This electricity that gets into the farm home means a new helper in that home, and she is a remarkable helper, too—the harder she works, the better she likes it, and the longer she works and the more she works, the less she charges for it, and she never takes off any Thursday afternoon or forenoon, either. She works 24 hours a day and enjoys every minute of it. That is the kind of helper the Rural Electrification Administration has brought into the farm home. The helper is grinding the feed, pumping the water, doing all kinds of work, and the more he does, the better he gets, the cheaper he gets, the more efficient he becomes.

This, my friends, is the secret of America's record food production in 1942.

Because of scarcity of copper and of steel and other materials, the War Production Board stopped all construction of rural electric lines by its P-46 order of July 21 last year. The National Rural Electric Cooperative Association—the national association of the cooperatives—of whom my former colleague, Clyde T. Ellis, is the executive manager, believed that by connecting more and more farms, substantially more and more food could be produced. We owe a vote of thanks to the national association of the cooperatives for doing the research which finally convinced the War Production Board as to what this new farm servant could do. The national association told the War Production Board that the composite opinion of the cooperatives was that 23 percent more of the vital foods could be produced on the then unelectrified farms if electricity could be made available to them. The War Production Board and the War Food Administration, by a series of orders, have permitted and are today permitting rather extensive

construction for the electrification of still more farms.

William J. Neal, Deputy Administrator of the Rural Electrification Administration, speaking before the cooperatives of Georgia on the 12th day of this month said, and I quote from his address as inserted in the CONGRESSIONAL RECORD by Senator GEORGE on Monday of this week:

Spot checks in representative areas have been made to determine the effect of the electricity on farm production among these newly connected farmers. These spot checks indicate that the benefit to livestock production through the ability of the farmer to maintain his present production with decreased labor, or increased production with present labor, is equivalent to 34 percent.

And he went on to say:

The labor saved by the availability of electricity may have been almost equally reflected in increased production of field crops.

Think of it gentlemen, an increase of 34 percent because of electricity being made available to the farm home.

I am hopeful it will be possible for this program to continue to expand even during the war because I am deeply aware that every day that passes, as we liberate the occupied countries and attempt to feed their poor, starving people, increases the burden and demand on the American farm. This new servant, electricity, while at the same time vastly helping our own people, may be directly responsible for saving from starvation perhaps hundreds of thousands of helpless men, women, and children.

But, gentlemen, this program has had hardly more than a glorious beginning. It is the duty and responsibility of all of us here to assist in every way possible to do all of the preliminary work so that the day the war is over, construction can get under way in order that the unserved 66 percent of the American farm homes can be likewise blessed.

I am happy to announce that I am advised by the Rural Electrification authorities that many additional projects are being planned and prepared. Think of the happiness it will bring to 6,000,000 farm people. Think too of what it will mean in terms of employment in the factories that will produce the materials and employment in actual construction and operation in the rural areas—employment for these young men who are going to be coming back pretty soon from the far-flung battlefields of the earth.

And the beauty of this program is that it costs nobody anything. I grant you that the Government lends the money but the Government turns around and borrows the money on the mortgages given by the cooperatives. Actually this money is costing the Government less than 1 percent. The Government loans the money at from about 2½ to 3 percent interest and I am reliably informed that the Federal Government has benefited around \$7,000,000 on these R. E. A. loans, even after the total cost of the administration of R. E. A. to date is deducted. All loans are self-liquidating.

I desire, therefore, to call to the attention of every Member of this House the fact that there is pending before us

today what is known as the Russell-Rankin bill, a bill designed to make it easier for these cooperatives to connect more members and especially in the more sparsely settled areas.

I agree with the gentleman from Mississippi, Congressman RANKIN, wherein he said to the cooperatives of America, "Electricity is the lifeblood of an advancing civilization."

FARM LEADERSHIP

Mr. Speaker, I speak feelingly concerning the welfare of the farmers of our Nation. I was born and reared on a small farm in Bradford County, Fla., and performed the usual duties, services, and labor, I hope, of the average farm boy. I have chopped wood, sawed wood, pumped water, milked cows, and studied school lessons by the light of a kerosene lamp and by the light from the flame of the open fireplace. I have observed the usual duties performed by the mother and housewife of washing by hand, ironing with a flatiron in front of a blazing fire, cooking on the hot wood stove on a sweltering August day, and the many other usual duties. No; there were no electric fans or refrigerators; no electric lights or radios.

Now it happens that in the same community where I was reared, we have the R. E. A. The farm homes there of the neighbors of my childhood are now enjoying the economic aid, the comforts, and the conveniences of cheap R. E. A. current. Yes; they have there washing machines, electric wood saws, electric feed grinders, electric irons, fans, refrigerators, cooking stoves, sewing machines, radios, and other electrical equipment and services.

From the soil springs the wealth of the Nation. Likewise from the soil springs, I have always believed, superior strength and citizen leadership. Your Nation today is drawing from its farm population and farm origin a large portion of its leadership in industry, finance, war, education, religious, and civic affairs. In my humble opinion, no American is greater than the farmer who lives and toils in the open under the blue canopy of heaven, and honestly and diligently wrings his living from the breast of Mother Earth. He shall in the future as in the past contribute his portion, not only in supplying the peoples of the earth with food and textiles, but also with great leadership in the affairs of men. Yes, they are entitled to rural electrification.

FLORIDA'S GREAT PART IN NAVAL ACHIEVEMENTS

Mr. Speaker and my colleagues, it is indeed quite appropriate that we pause today to pay tribute to our great American Navy. In no period of the world's history has any navy surpassed in performance that which has been accomplished by the American Navy during the present global war. Far flung to every corner of the world, it has met the enemy in battle and in every instance where combatting forces were anything like equal in number, the American Navy has come out on top.

The brilliant performances of our Navy at Wake Island, the Solomon Islands, at

Midway, in the Battle of the Coral Sea, at Guadalcanal, Attu, Sicily, and in countless other places, will ever go down in history as the most brilliant of all armed conflicts.

Florida, I believe, can well point with pride to the wonderful training accomplishments of the Navy within this State. She has contributed the lion's share of pilots and other naval air-power personnel. The naval Air Operational Training Corps has operated most effectively at such well-known Florida naval air stations and auxiliaries as Pensacola, Jacksonville, Miami, Banana River, Key West, Vero Beach, Fort Lauderdale, Melbourne, Sanford, Daytona Beach, Lake City, Hollywood, and other places. Many of the 30,000 per year potential pilots and of the tens of thousands of naval air specialists are there trained under the most favorable conditions of any training in the world. High naval officials and the War Administration well recognized the unequalled opportunities, climatic and otherwise, in Florida for naval air operational training.

It is appropriate, I believe, also, that we should especially remember today the great American achievement during the pending conflict of generalship and naval-vessel construction. American shipyards have turned out more ship tonnage than all combined nations in any like period in the history of the world. Florida has done its part in this ship construction. Some \$40,000,000 worth of ships have already been completed and launched in Florida, and in Florida yards, \$186,000,000 worth of shipbuilding contracts are now under construction. The Federal Government has expended in my State for shore facilities, aviation and naval operating bases, approximately \$150,000,000 since January 1940. This, my friends, indicates in part the great degree in which Florida is participating in the naval program.

It is significant that so many of the Florida-trained pilots and other naval air personnel have participated in so many actual conflicts during this war, and I am proud to say that they, in the hottest of conflicts, have indeed acquitted themselves well.

The SPEAKER. Under previous order of the House, the gentleman from Tennessee [Mr. McCord] is recognized for 20 minutes.

THE DAIRY INDUSTRY

Mr. McCORD. Mr. Speaker, if we are facing the hungriest world that has ever existed, as some of the thought at this time seems to indicate, then it becomes necessary that we be alert, to the end that our production may be kept up to the standard of efficiency so that when the hungry world does exist we will have something in our storehouse to take care of it.

I am not an alarmist, but anyone who has given serious consideration to the possibility of our agricultural industry's supplying food and feedstuffs essential to the needs of a world at war cannot escape the conclusion that a food shortage of grave proportions is apparent at this very time. I have been very closely associated with the farming and dairy industries during the greater part of my life and have watched with pride and

interest the development, particularly of the dairy industry, in my home State of Tennessee. For 20 years I have sold at auction considerably more Jersey cattle than any other man in the United States or Canada, and quite naturally I am especially interested in the present demoralized condition within our dairy industry. Scientists have proved that the dairy cow is the most efficient converter of feedstuffs into protein and energy-building foods. Food officials have shown concern at last over the unfavorable milk-production prospects in the East, South, and far West. Numerous suggestions have been put forth for remedying the present situation. It is not my purpose in this discussion to place any blame for this condition on any particular person, agency, or branch of our Government. We have been warned repeatedly that the condition we now find ourselves in was imminent. We have been too slow in taking steps to correct our mistakes and misguided efforts. I am anxious that we thoroughly understand the position we are now in, particularly in the dairy industry and that a program be developed immediately that will assure adequate production of milk for ourselves and our allies.

Briefly stated, the milk supply situation is this: Milk production is falling below last year's level even though we have more milch cows than ever before. The Bureau of Agricultural Economics predicts a total production for this year of 118,000,000,000 pounds as compared with 119,000,000,000 pounds last year. It is further predicted that the output next year may decline to 115,000,000,000 pounds. The goal set for next year's production as the minimum necessity to meet military, lend-lease, and civilian requirements is 122,000,000,000 pounds, which simply means that we are faced with a production next year falling 7,000,000,000 pounds short of the necessary minimum requirements. During the past 2 or 3 months production of milk has shown more than the usual decline. Total milk production for the month of August is estimated at 10,600,000,000 pounds this year, which figure is some 200,000,000 pounds less than the production in the same month last year. Milk production per cow was 5 to 6 percent lower on September 1, 1943, than on the same date last year. In some Southern and Southwestern States the percentage of decrease per cow is alarming. It is unnecessary to call your attention to the shortage of byproducts of milk at this time. Officials of the War Food Administration are evidently much concerned over this condition in that they have already established in 48 metropolitan areas a quota system limiting retail sales of whole fluid milk for human consumption and there is evidence that this program will of necessity be extended to other areas in the near future. While total milk production has been declining, the demand has sharply increased. It is estimated that there has been a 20-percent increase in demand for fluid milk for human consumption since 1941.

There are several reasons for this decline in production of milk. They might be listed in order of their impor-

tance as follows: feed situation, price-control policies, increased labor cost, shortage of machinery and equipment, and drought. Only the first two of these will be discussed at length.

In order to understand the condition that exists, it is necessary to review the provisions of the Emergency Price Control Act of 1942 relative to the establishment of ceiling prices on agricultural commodities. Probably no provision in the act provoked more bitter controversy than that section relating to agricultural commodities. There are approximately 50,000,000 people living on farms and 130,000,000 million people in our country dependent upon agricultural commodities for their very subsistence. This fact within itself was sufficient to insure a thorough hearing and consideration of the question in our Congress and I believe that the law as enacted is adequate to resolve the conflicting interests at present. Congress provided in this law that no maximum price should be established for any agricultural commodity below a figure which would reflect to the producer parity price for such commodity or the highest price received by such producer for such commodity between January 1 and September 15, 1942, and further provided that modification should be made in maximum ceiling prices established for agricultural commodities or commodities processed in substantial part from agricultural commodities in any case where it appeared that such modification was necessary in order to increase production or by reason of increased labor or other costs. Such a provision was a part of the bill from its inception and was justified on the ground that it would provide the producer with an adequate opportunity to realize the parity goal which is conceded to be a reasonable return to the producer and one that will assure adequate production. It is obvious, however, now, and was just as obvious at the time of the passage of this act, that if price increases in cost elements are permitted to endure for some time before a control is imposed, the result will be a justifiable demand for a higher price; for example, the original act precluded the establishment of maximum prices on agricultural commodities until these commodities had reached 110 percent of the parity price or a comparable price adjusted by the Secretary of Agriculture for grade, location, and seasonal differentials. The price of wheat on March 15, 1942, was \$1.05 per bushel—110 percent of parity for wheat on that date would have been \$1.44 per bushel. The market price of corn on March 15, 1942, was 78.4 cents per bushel—110 percent of parity was \$1.04 per bushel; thus, it can readily be seen that Congress intended that wheat should rise 39 cents per bushel before price ceilings would be applicable and that corn should rise approximately 26 cents per bushel before ceilings would be applicable.

This is true similarly with other grains and feeds so that it is clear that when ceilings were placed on wholesale and retail sales of fluid milk and an increase in the essential cost elements, especially feeds, was thus encouraged by legisla-

tion that eventually there must be an adjustment in ceilings on wholesale and retail fluid milk sales, therefore, Congress quite wisely provided in the amendment to the Emergency Price Control Act of 1942, that modification shall be made in maximum prices established for any agricultural commodity and for commodities processed or manufactured in whole or substantial part from any agricultural commodities when it appeared that such modification was necessary to increase the production for war or where by reason of increased labor or other cost to the producers of such commodity the maximum price originally established would not reflect such increased cost.

With this picture of the law under which we are operating in mind, we should consider the programs that have been adopted and the result of these programs regardless of who was responsible for them. It is presently conceded that we have entirely too much livestock. Official reports of the Department of Agriculture indicate that in spite of the fact that our 1943-44 feed supply is the second largest on record, being only 4 percent smaller than last year's yield, that because of record livestock requirements, stocks of feed grain carried over at the close of the year are expected to be the smallest since the drought years and that the rate of feeding per animal unit on January 1, 1944, is expected to be 10 percent below the 1942-43 rate. Some grain has been brought in from Canada, but shortage of shipping facilities and other problems sharply limit supplies that we may expect from this source. Stocks of wheat are running low and will be insufficient to meet the winter's needs. The War Food Administration has, therefore, suggested sharp reduction in the number of hogs and beef cattle normally finished on grains and concentrate feeds. I am informed that the War Food Administration has further stated that milk production should be maintained at all costs. It is entirely possible, if this is true, that we may be confronted with the proposition of granting priorities on protein concentrate feed to the dairy cow.

I sincerely believe that the ceiling price established on corn at the rate of \$1.07 per bushel, Chicago basis, and the support price placed under hogs, have dealt a more damaging blow to the dairy industry from the standpoint of increased costs of production than any combination of factors. It has placed the dairyman in a position where he cannot compete with hog producers for corn. The experiences the Commodity Credit Corporation has had since last May in trying to allocate corn to the industrial consumers, and the grave shortage of corn with which we were faced, are ample proof of the fact that this program diverted corn so essential to the manufacture of reasonably priced mixed feeds and protein concentrates to the hog. Farmers in the Corn Belt could not be expected to market their corn at \$1.07 when if fed to hogs it would bring the

equivalent of \$1.30 to \$1.40 a bushel. This corn shortage has been primarily responsible for the sharp incline in feed prices during the past 4 or 5 months. The processor of mixed feeds who is forced to pay in the open market, for example, \$50 per ton for oats or barley as a substitute for corn at \$33 per ton cannot be blamed for the fact that from December 1942 until August 1943 feed costs increased some 15 percent or more and that there has been even a greater increase since the latter date.

Available statistics indicate that at the time ceiling prices were placed on wholesale and retail sales of fluid milk for human consumption there was a fairly desirable relationship between milk and feed prices. With minor exceptions, I am informed, there have been few adjustments in these ceiling prices on milk, despite the fact that since the effective date of the regulation establishing these ceilings, feed costs have risen to a point where officials of the War Food Administration admit it has become necessary to subsidize producers in order to offset increased feed costs and assure adequate production of milk. It has been my experience that producers generally are opposed to a subsidy in this form. Thus we can readily see that what has actually happened is that the price at which the producer sells has been stabilized, while the price of feedstuffs so essential to his production has continued to rise and that the producer is not realizing a profit sufficient to assure adequate production. Such a condition is an inevitable consequence of the application and enforcement of only one phase of the Emergency Price Control Act as applicable to agricultural commodities. I believe that Congress has recognized in a sense that price is a predominant factor in assuring adequate production of agricultural commodities, and I further believe that where by legislation Congress has authorized the placing of price ceilings on commodities processed in substantial part from agricultural commodities and has further prohibited the placing or establishment of ceilings on other commodities essential to the production of the former commodities on which ceilings have already been placed until parity levels have been reached, that it is the obligation of Congress to adjust the former ceilings to compare favorably with prices of the latter after they have reached parity level.

It is a rather easy matter to criticize. It is often more difficult to suggest a solution. However, I believe that the solution of the problem confronting us is relatively simple and I offer the following suggestions. These suggestions are offered on the assumption that we must maintain our milk production at present levels, and if possible, meet future goals. The first thing probably that should be done, and I believe that such a program is now under way, is that the numbers of our livestock must be brought in line with our feed supplies. We must immediately establish a correct feeding value relationship between carbohydrates used in protein feed concen-

trates, principally corn, oats, and barley. This, I have been told, would require a slightly upward revision in present corn ceilings so as to place the dairyman in a position where he can compete with hog producers for corn. We must establish ceilings on all ingredients of dairy feed practically all which have reached parity level and are now subject to the provisions of the Emergency Price Control Act. We must grant an upward revision of whole milk ceilings, particularly in those areas that have experienced the sharpest rise in feed costs and the lowest increase in prices of whole milk so as to assure adequate production which means a reasonable profit to the producer. If these things were done, there would be no necessity for the present feed subsidy program now being administered by the War Food Administration. It might be necessary and advisable to subsidize producers only to the extent of the costs of transportation of feedstuffs into the drought areas. It might also be desirable, if corn ceilings were raised, to subsidize industrial consumers of corn and wet and dry processors to offset their increased cost of production resulting from increasing corn ceilings. The number of such processors is relatively small and the program would require a relatively small expenditure as compared to the present subsidy being paid to millions of milk-producing farmers.

It might be argued that an adjustment of fluid milk prices in all areas to bring such prices into proper economical relationship with present production and distribution costs would increase the cost of living and thereby tend toward inflation. Such a proposition is a debatable one and accurate figures to support either side of the argument are difficult to arrive at. If we concede that there should be a general increase in fluid milk prices in the normal proportion to the increased feed costs, those in favor of subsidies would be in a much better position. However, we are not living in normal times and I can see no practical reason why a sufficient increase could not be granted to offset the increased cost of production without regard to normal procedures. Milk production generally has failed to meet established quotas and is currently less than corresponding periods 1 year ago; therefore, the necessity for immediate action to remedy the situation. It is frequently charged that the rise in prices in agriculture commodities is largely responsible for the degree of inflation we now face; however, of the rise in national income of \$42,000,000,000 from 1939 to 1942, agriculture has received 14 percent—86 percent of this rise has gone into nonagricultural incomes. The Bureau of Labor Statistics indicate that retail prices in fluid milk have increased 20 percent since January 1941. It has been estimated that the additional increase needed to offset the increased cost of production due principally to increased feed costs would raise this figure to 23.9 percent increase

over the January 1941 prices or 6.6 percent over the actual June 1943 prices. Using these figures as a basis, it is calculated that the suggested increase in retail prices necessary to maintain production of dairy products would raise the cost of living less than 1 cent a day or less than 1 percent.

It is conceded that the over-all cost of administering the present subsidy program will run 3 or 4 percent of the total amount of the subsidy payments. This cost alone is significant, but to my mind is negligible when compared to the amounts that will be expended by the producers throughout the Nation in complying with the procedure set up to handle the program to which I can say with confidence that 90 percent of the producers in my area are opposed.

The SPEAKER pro tempore (Mr. PRIEST). The time of the gentleman from Tennessee has expired.

Mr. PHILLIPS. Mr. Speaker, I ask unanimous consent that the gentleman may be permitted to proceed for 2 additional minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield?

Mr. McCORD. I yield.

Mr. PHILLIPS. I wish to compliment the gentleman from Tennessee for the very well-thought-out and very thoughtful expression on an extremely serious subject. I wish all Members of Congress were here to listen to the gentleman this afternoon.

Mr. McCORD. I thank the gentleman very much.

Mr. MURRAY of Wisconsin. Will the gentleman yield?

Mr. McCORD. I yield.

Mr. MURRAY of Wisconsin. I just want to say that I think my colleague has presented one of the most constructive approaches to this very serious problem. I am sure that the Jersey breeders of Tennessee used good judgment when they had him as their president for the number of years they did have him.

Mr. McCORD. I thank the gentleman.

Mr. MICHENER. Will the gentleman yield?

Mr. McCORD. I yield.

Mr. MICHENER. I want to add to that by saying, as one interested in milk production in a dairy district, that I have been intensely interested in his remarks. I may say that in my district in Michigan the farmers in one section, not radical farmers, are refusing to deliver their milk but are keeping it on the farms because all they do deliver they are delivering at a loss.

The SPEAKER pro tempore. The time of the gentleman from Tennessee has expired.

SPECIAL ORDER

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Wisconsin [Mr. KEEFE] is recognized for 20 minutes.

Mr. KEEFE. Mr. Speaker, just to keep the record straight, it will be recalled

that this Congress has made a consistent effort to remove certain named individuals from the Government pay rolls. The Urgent Deficiency Appropriations Act of 1943 as enacted by the Congress prohibited any Government department or agency from employing at any time in the future after November 15, 1943, certain three named individuals unless they were appointed to the office by the President and confirmed by the Senate prior to that date. This provision in this urgent deficiency bill, as you will recall, represented a very distinct compromise between the attitude of the other body and the overwhelming sentiment of the House.

Among these individuals so named was one Robert Morss Lovett, who had been serving as Secretary of the Virgin Islands. The Secretary of the Interior, Mr. Ickes, in a display of venom and caustic criticism seldom indulged in by any high-ranking officer of the Government, denounced the action of the Congress of the United States. In so doing the Secretary of the Interior clearly demonstrated his contempt for the action of the Congress and indicated a fixed determination on his part to thwart the will of the Congress if he could devise a scheme to effect his purpose.

In this attitude he was apparently supported by the President of the United States, who sent a statement to the Congress with regard to his reluctance to the signing of H. R. 2714. In this statement, among other things, the President said:

This rider is an unwarranted encroachment upon the authority of both the executive and judicial branches under our Constitution. It is not, in my judgment, binding upon them.

Secretary Ickes taking his cue from the statement of the President that in his opinion the action of the Congress was not binding either upon the executive or the judicial branches of the Government has now determined to deliberately snap his fingers at the Congress and to retain Robert Morss Lovett upon the Federal pay roll notwithstanding. In a conversation yesterday with Mr. Ickes he advised me that he had just appointed Mr. Lovett to the position of executive assistant to the Governor of the Virgin Islands. He further advised me that such a position existed in the set-up down in the Virgin Islands and that he felt at perfect liberty to appoint Mr. Lovett to perform those functions. By the way, the appointment to this position does not require senatorial confirmation under general law.

I asked Mr. Ickes to send me a copy of his order so appointing Mr. Lovett to this new position and I received it this morning, or at least a photostatic copy of it, issued September 6, 1943.

Mr. Speaker, I ask unanimous consent that I be permitted to insert this order as part of these remarks.

The SPEAKER pro tempore (Mr. PRIEST). Without objection, it is so ordered.

There was no objection.

The order referred to follows:

UNITED STATES
DEPARTMENT OF THE INTERIOR,
Washington, September 6, 1943.

Order No. 1870.

Pursuant to authority conferred by section 23 of the Organic Act of the Virgin Islands (act of June 22, 1936, 49 Stat. 1813, 25 U. S. C. sec. 1405v), the executive assistant to the Governor of the Virgin Islands is designated as the official charged with the performance of the following duties:

1. He shall serve as chairman of the Police Commission, of the Board of Review and Equalization of Taxes, and of the Liquor Control Board.

2. He shall serve as a member of the Harbor Pollution Board, the Labor Policies Board and the Lottery Board.

3. He shall register patents, copyrights, and trade-marks in the Virgin Islands.

4. He shall participate in the supervision of programs relating to public welfare, health, and social security, of the juvenile school, and of the Virgin Islands cooperatives.

5. He shall serve as certifying officer.

6. Whenever the position of government secretary of the Virgin Islands shall be vacant, he shall record and preserve the laws enacted by the legislative authorities of the Virgin Islands.

7. Whenever the position of government secretary of the Virgin Islands shall be vacant, he shall promulgate all proclamations and orders of the Governor and all laws enacted by the legislative authorities of the Virgin Islands.

8. Whenever the position of government secretary of the Virgin Islands shall be vacant, he shall have custody of the seal of the Virgin Islands and shall countersign and affix the seal to all executive proclamations and all other executive documents.

9. He shall perform such other duties as may be assigned to him by the Governor of the Virgin Islands.

This order shall take effect immediately.

HAROLD L. ICKES,
Secretary of the Interior.

Mr. KEEFE. In this order he stipulates the duties and responsibilities of the office of executive assistant to the Governor of the Virgin Islands. It is very remarkable, because having checked the substantive law that defines the duties and responsibilities of the secretary of the Virgin Islands I find on a reading of this order that Mr. Ickes, attempting to be very clever as he usually is, has provided that whenever the position of secretary of the Virgin Islands shall be vacant then this new executive assistant has all of the powers that are stipulated in general law as belonging to the secretary transferred to him. The office of secretary of the Virgin Islands I am advised by virtue of the action of the Secretary of the Interior is now vacant and Mr. Lovett whom this Congress tried to remove repeatedly from the pay roll of the Government has now been appointed by Mr. Ickes in clear and plain defiance of the expressed attitude of the Congress of the United States to another position in the Virgin Islands to which he has transferred the powers, the duties, and responsibilities of the office of Secretary of the Virgin Islands that he formerly occupied.

Mr. RIZLEY. Mr. Speaker, will the gentleman yield at that point?

Mr. KEEFE. I yield.

Mr. RIZLEY. Is this Mr. Lovett one of the gentlemen who was investigated by the Kerr committee of the House?

Mr. KEEFE. Mr. Lovett is one of the gentlemen whom the Kerr committee recommended be separated from the pay roll and which this House by an overwhelming majority sustained, as the gentleman will recall.

Mr. COLE of Missouri. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. COLE of Missouri. Does this appointment as assistant to the Governor carry more salary than the office of secretary of the Virgin Islands?

Mr. KEEFE. Unfortunately, the order setting forth the duties and responsibilities of the office of executive assistant to the Governor does not specify the salary, but under the general law under which the Virgin Islands operate I think it is safe to say that the salary that will be paid to this executive assistant will be fixed by the Secretary of the Interior.

The question is squarely up to the Congress again. I wonder what the Congress is going to do about it. I wonder what the Appropriations Subcommittee on the Interior Department is going to do about it. That committee held hearings in addition to those that were conducted by the Kerr committee and in their report when that appropriation bill came before the Congress took the same attitude as did the Kerr committee. Are we as a Congress going to express our determination and then allow an executive officer of the Government to flout the Congress before all the people of the United States?

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. MICHENER. Does not the gentleman believe there possibly might be some justification for an executive officer's doing a thing like that in view of the statement of the President to the Congress that a law passed by the Congress was, in the judgment of the President, unconstitutional and did not bind any executive of the Government or the judiciary? In other words, the President stated in a message to Congress that an act of Congress should not be observed by an Executive or even by the Supreme Court of the United States, whose function it is to pass upon the constitutionality of the laws passed by the Congress. I think that is one of the most dangerous statements ever submitted by a President to the Congress in reference to a law properly passed by the Congress and written on the statute books.

Mr. KEEFE. I will say to the gentleman that I am in complete accord with his statement and I think I referred to the fact that Mr. Ickes, no doubt, felt sustained in his action because of this message which the President sent to the Congress. But I want to call to the attention of the majority leader when he asked for a bill of particulars in connection with the speech I made Monday that I did give a bill of particulars. I want

to add this one to the specifications that are contained in that speech: I ask any citizen if he cannot see in this a situation where the Executive tells the people of this country that neither he nor the judiciary are to be bound by an act of the Congress of the United States. I ask the gentleman from Massachusetts whom I know has as high a regard for the fundamentals of government as I have whether or not he cannot see in that action the very evidence of fascism creeping into our own Government which I tried to describe last Monday. May I give him another one before he answers that?

Mr. McCORMACK. The gentleman asked a question.

Mr. KEEFE. I will give the gentleman time to answer, but I want to put another one to him so he will answer both of them at the same time.

Mr. McCORMACK. That is awfully kind of the gentleman. I will listen.

Mr. KEEFE. I recall—and I think the gentleman recalls—that this action of the Secretary of the Interior is very similar to the action of the National Labor Relations Board a couple of years ago. It will be recalled that the Appropriations Committee of the House struck from an appropriation provision for the payment of the salaries of the Board of Economic Research in the National Labor Relations Board headed by David Sapoos. I am sure the gentleman recalls that. The action of the Appropriations Committee at that time was sustained by practically the unanimous vote of the House and the other body and become a part of the law by virtue of the signature of the President.

Now, what did the National Labor Relations Board do? It defied the Congress of the United States and changed the name of this outfit from the "Board of Economic Research" to the "Technical Service Bureau" of the National Labor Relations Board. It in effect told the Congress: "We do not intend to be guided by your instructions as contained in the report accompanying that bill. We have changed the name of the outfit. True, Sapoos and his entire gang are doing the same work, at the same salaries and occupying the same offices, but we are going to thwart the will of Congress by merely changing the name and we do not intend to comply."

We were compelled to go before the Deficiency Committee of the House and write into a deficiency bill a clear mandate to compel the National Labor Relations Board to do what this Congress had directly ordered it to do. I ask the gentleman, in view of the statement which he made last Monday, does he not see in that attitude upon the part of bureaucracy and administrative officers of Government, who go out of their way to flout the actions of Congress, under any accepted designation of fascism, the development of a Fascist threat in our own economy?

Mr. McCORMACK. Will the gentleman yield?

Mr. KEEFE. I yield to the gentleman.

Mr. McCORMACK. In relation to this charge of yours on fascism, you are

bringing in a little small matter to support a broad statement of that kind. Of course, that is the last thing in the world the people of America are fearful of. As a matter of fact, the charge against Lovett was that he was a Communist or communistically inclined, as I remember it. Now, the gentleman from Wisconsin, trying to use that isolated case to support the broad statement he made the other day, endeavors to make Lovett out as a Fascist. The other day my friend had no facts to support his statements, no bill of particulars, and he is giving no bill of particulars now. If he wants to talk about the Lovett case by itself, that is one thing, but when he undertakes to bring that in to support the statements that he made about our national economy taking the road of fascism, then the gentleman states something that I challenge.

Mr. KEEFE. Has the gentleman concluded?

I gave the gentleman plenty of time to answer. The gentleman has not answered the questions or the arguments. The gentleman with his usual great intelligence apparently fails to see the point at issue at all. I do not think that he fails to see it. I think he sees it the same as Dr. Goodwin Watson said he saw it when he was before our committee. He is one of the great intellectual leftists of this country. He clearly pointed out the grave danger that is facing our country due to the spread of this doctrine that grows out of the centralized control that is being exercised over the lives of our people through unrestrained bureaucracy.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to proceed for 2 additional minutes.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman's time be extended 10 minutes.

Mr. KEEFE. I do not need 10 minutes. Mr. McCORMACK. Five minutes?

Mr. KEEFE. I just want 2 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KEEFE. Mr. Speaker, I just want to say to the distinguished gentleman, who ought to know better, and who as one of the leaders of this House investigated communism years ago, that if he took advantage of the information which he gained as a result of that investigation he would know there is not an intelligent person in the world who does not know that communism is Fascist in character, and that the only explanation that is given to communism to distinguish it from other Fascist philosophies is that its supporters contend that while it is Fascist in character it is benevolent in purpose.

I say to you that the gentleman has not answered the question I have proposed. This attitude on the part of bureaucratic heads of agencies and executive heads of the departments in flaunting the will of the people as expressed through their Representatives in the

Congress is the purest threat of fascism that faces our country today. I can think of no more direct threat than the contempt in which Harold Ickes holds the Congress, when he flatly refuses to do what the plain mandate of the Congress requires him to do and elects to battle the thing out to prove that the executives in the executive department of the Government and the administrators of the agencies of government have more power than the people's Representatives in the Congress itself.

Mr. GWYNNE. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Iowa.

Mr. GWYNNE. This question has troubled me a great deal: How far under the Constitution may the Congress go in virtually removing an employee of the Executive branch of the Government by refusing to appropriate for his salary?

Mr. KEEFE. That is a question which Mr. Ickes and those associated with him claimed they were going to take immediately into the Supreme Court of the United States for a determination. I stated on the floor of this House that I wished they would do so. I hope that question will be determined. I do not want it determined by the subterfuge that he has adopted of creating a new job and appointing Lovett to that job without attempting to solve the basic constitutional question that may be involved.

The SPEAKER pro tempore. The time of the gentleman from Wisconsin has again expired.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, the gentleman from Wisconsin is, of course, a strong advocate.

The gentleman made some observations about what I learned as the result of being chairman of an investigating committee. The gentleman from Massachusetts learned enough that the most powerful piece of legislation in the past 50 years to meet subversive influences in this country was passed as a result of that investigation, the McCormack Act, compelling foreign propagandists to register.

The gentleman has created a new theory, something new—the road of economic fascism. Of course, anybody who is an impartial observer or analyzer of current events realizes there is no foundation to that.

Further, he picks out this Lovett case as an illustration to support his theory. I remember that years ago a famous and outstanding President of the United States, when Chief Justice Taney, as I remember, made a decision the then President did not like, said, "Let Chief Justice Taney enforce the law." Certainly that is an outstanding observation, but I would never call it fascism.

PERMISSION TO ADDRESS THE HOUSE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 10 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. VINSON] is recognized for 10 minutes.

NAVY DAY

Mr. VINSON of Georgia. Mr. Speaker, patriotic Americans throughout this country are observing this date as Navy Day. October 27 marks the anniversary of Theodore Roosevelt's birth, and since he is regarded as the greatest advocate of safety through naval power in modern history, it seems to me that the selection of this date for an annual appraisal of our strength afloat is particularly appropriate.

I would like to point out that the year which has passed since the last observance of Navy Day undoubtedly has been an unprecedented year in naval history. The most powerful ships ever built have taken their places in our fleet. Never before have so many ships of all sizes and types been constructed and placed in service so quickly. We have become the possessor, through the will of the American people, of the greatest floating power that the world has ever seen. Today, as never before, the safety of this country and the sanctity of our shores depends upon these ships and the officers and bluejackets who man them. For this reason I think it might be well to consider some of their accomplishments during the past 12 months, and to weigh the responsibilities they face in the immediate future.

All of us remember, too well, those bleak and discouraging days immediately following Pearl Harbor. It is no secret now that during the months which followed that treacherous attack, the strength of our enemy surpassed that which we could throw into the Pacific. For the first 12 months after that black date the Japanese were able to progress southward at a phenomenal rate, ruthlessly subjecting unprepared and practically unarmed peoples to their will, committing a series of unprecedented atrocities and carrying on the most brutal type of warfare. At that time, we must admit now, we were unprepared to stop them.

But, Mr. Speaker, I would like to point out today that because of the very fact that American ingenuity and American industrial management was able to get behind the armed forces, and particularly the Navy, to the extent that they have done, the situation as it was 1 year ago has completely reversed itself. Exactly 1 year ago yesterday, the Navy proved beyond a possible doubt that it was an attacking force of terrific impact, capacity, and daring. For on the night of October 26, 1942, several hundred miles northwest

of the Santa Cruz Islands, the carrier task force intercepted a Japanese task force coming down with the obvious intention of retaking Guadalcanal.

Guadalcanal had been taken very dearly by marines on land and naval ships and air power at sea. The Japs wanted the prize back and were willing to pay dearly for it. They did pay an exorbitant price for their effort. But the effort itself was futile, for the Battle of the Santa Cruz Islands, as the engagement has now come to be known, went to the attacking power of the United States naval command.

Our forces on that occasion consisted of the carriers *Hornet* and *Enterprise*, one new battleship, the light cruisers *Atlanta* and *Juneau* and other cruisers and destroyers. The Japanese forces, which we know to have been of superior fire power and containing at least two battleships and three aircraft carriers, was completely and decisively whipped. In that battle we lost the *Hornet* and an accompanying large destroyer, the *Porter*. That grand ship, which for so long has been known as battleship X, but which the public now knows as the *South Dakota*, under the command of Capt. (now Rear Admiral) Thomas Gatch, put up a fight which will go down in our naval annals as one of the most decisive sea battles of all times.

Captain Gatch and his men have received many honors since the details of that battle became known to the public, but I assure you that these honors were well deserved. During that short battle, the *South Dakota* put up such a barrage of antiaircraft fire from the twenty 5-inch guns and dozens of smaller antiaircraft guns that no less than 32 Jap planes attempting to sink her were brought down. The *South Dakota*, herself, received some direct hits but was able to keep firing until the surviving Jap ships turned tail and ran.

In the fall of 1942 our naval forces began what we might term the offensive phase of this war in earnest. Last November 8, the world was electrified by the news that the United States was invading Africa. That invasion, Mr. Speaker, was a sea-borne thrust on a gigantic scale. The Navy escorted an unbelievable number of ships safely across submarine-infested waters and got them there on schedule, and safely.

Naval gunfire played a large part in that invasion just as it did in stopping the German tanks and saving the beachhead at Gela in Sicily, and in turning the tide of battle in the first bloody hours of Salerno, almost a year later. To show you what part the Navy played in that operation, let me point out that during the first 12 hours of the invasion of the Italian mainland, the Navy lost more men than the Army.

Only a few days after the initial thrust into Africa, and while our men were marching across Tunisia, there occurred the major battle for Guadalcanal, which dwarfed all previous ones in number of enemy warships sunk or damaged. It also marked the first major naval encounter without the use of carriers by either side. This battle was fought at

close range, in darkness, and once again American fire power and American seamanship demonstrated its superiority over that of our foes.

And so, motivated by a spirit of attack and attack wherever possible day in and day out, we carried the fight to the Japanese well into 1943. And this year, because of the naval power including air and submarine power that we have been able to develop, we have seen the retaking of the Aleutians, the invasion of New Guinea, New Georgia, and the conquest of Sicily and southern Italy. Some 2 years ago naval authorities promised that the year 1943 was to witness our attacking forces shaped into a spearhead of might, brains, and strategy, rocking the enemy in the Pacific, the Atlantic, and the Mediterranean. I need not point out to you today, Mr. Speaker, how true this prophecy has proved to be.

Mr. MAGNUSON. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from Washington.

Mr. MAGNUSON. The gentleman in speaking in observance of Navy Day has mentioned certain ships of the Navy and has also mentioned a crucial battle. In that battle we unfortunately lost the *Hornet*, but another ship that did high honor to the country and to the Navy, the *Enterprise*, is still afloat, as far as I know. I know the gentleman will bear with me while I read into the *Record* at this point the citation the President recently awarded the *Enterprise*, which is known as the pride of the United States Fleet:

CITATION

For consistently outstanding performance and distinguished achievement during repeated action against enemy Japanese forces in the Pacific war area, December 7, 1941, to November 15, 1942. Participating in nearly every major carrier engagement in the first year of the war, the *Enterprise* and her air group, exclusive of her far-flung destruction of hostile shore installations throughout the battle area, did sink or damage, on her own, a total of 35 Japanese vessels and shot down a total of 185 Japanese aircraft. Her aggressive fighting spirit and superb combat efficiency are fitting tribute to the officers and men who so gallantly established her as a solid bulwark in defense of the American Nation.

I think the *Enterprise* and such ships as the battleship *South Dakota* give good testimony to what our distinguished chairman of the Committee on Naval Affairs is stating here today.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. Yes.

Mrs. ROGERS of Massachusetts. To recall to the House the gallant fight the *Lexington* made before she sank. She did great damage to the enemy.

Mr. VINSON of Georgia. And may I say, Mr. Speaker, that one of the officers who served in many of the engagements in which this great airplane carrier *Enterprise* was engaged is a member of the Naval Affairs Committee, the distinguished gentleman from Washington [Mr. MAGNUSON], as a naval officer with the rank of lieutenant commander and one whose bravery and devotion to duty was demonstrated in full measure while

he was on active duty with the naval forces in the Pacific.

The Navy during this past year has maintained a bridge of ships from our Atlantic ports to Murmansk, to England, to Africa, and uninterrupted sea lanes to Alaska, the Aleutians, Australia, and the regions of the South Pacific. Today the route to Australia and the islands of the Pacific is a great highway dotted with our naval bases serving as service stations to keep supplies moving to our fighting men and our allies. Few people of this country realize, for instance, that more than \$3,000,000,000 in food and war material safely have been transported to Russia under convoy of the American Navy. From this past May through August the Navy escorted 4,000 ships averaging 10,000 tons each safely across the Atlantic. During these months our losses from submarines were less than one-half of 1 percent. All these miracles of salvation have come to pass in the last year. Why? Simply because, Mr. Speaker, sea power, or more properly what is now called sea-air power, made them possible.

We cannot deny today that we have suffered losses in ships and more regrettably in men, but I think that we can take consolation in the fact that enemy losses have been infinitely greater and much harder to sustain than ours. At the beginning of this war we estimated that Japan had 7,500,000 tons of shipping. Today at least one-third of that shipping is resting on the bottom of the Pacific, and our submarines, which had such a great part in sending them there, have very definite plans for similarly effective operations in the future.

Sir Francis Bacon once said, Mr. Speaker, that—

He that commands the sea is at greater liberty and may take as much or as little of the war as he will.

That has always been true and is still true. The seas are highways, and to wage intercontinental war, control of these highways, which are lines of commerce, is essential. Unless we control the highways, we cannot control the destination. We cannot hope to control a distant land, or the skies above it, unless we control the seas between these two points. We have learned that ships alone can no longer do it. And to resort to Bacon again, he said further that—

He that will not attempt new remedies must expect new evils.

Thus, we have learned through experience up to this time that modern sea power is an air-sea team. One without the other is inadequate. We must have the airplane, the battleship, the carrier, the destroyer, the submarine, all working together and all straining toward one objective—victory. The team, we know, is indivisible.

Only last week Secretary Knox announced that the United States Navy was constructing the three largest, fastest, and most powerful aircraft carriers yet to be built. This is another proof that air and sea power cannot be evaluated independently. Air power can strike the enemy where it hurts most, but to do so with any effectiveness it is dependent on

ships for gasoline, bombs, ground personnel, repair and maintenance facilities, supplies and, of course, first of all upon sea-borne men and machinery to build the distant air fields.

Sea power spoiled Napoleon's African adventure just as it spoiled Hitler's and just as it is proving a stop for the plans of Japanese militarists in the Pacific. I hope that the real meaning of sea power is becoming clearer and clearer to the American people as our offensive develops in intensity. I hope that the American people realize that without dominion on the seas, this war at best would become a stalemate and at worst a defeat. Let us not forget that sea power saved us from defeat and that it is the key to our victory. And it might be well for Congress at this time to reflect for a few moments on our past history before we make too many definite plans for future policies.

You will recall, Mr. Speaker, that in 1812, we had a Navy of which this country was justly proud. But then we neglected it for 30 years. In 1845, we had a little scare and started building or talking of building, but the fright was soon over and with it any thought of naval expansion. There actually was no considerable program of naval expansion in this country until 1883 when the Federal Government was so prosperous that some money was spent on the Navy. Between the close of the War between the States and 1883, there had been no legislation allowing for new naval vessels. They could repair them but not build them. The Navy tried to get around this restriction by building a new ship on the keel of an old one—an action which caused Congress at that time, properly enough, to pass a law limiting expenditures for repairs to a percentage of the original cost.

When this country became so alarmed over the possibility of an invasion of our coast by Admiral Cervera's Spanish Fleet, we had only five good battleships designed for coastal events, but when the admiral's fleet reached the Azores, there was a terrific clamor in this country to increase the Navy, more quickly than the building facilities of that day could provide. But from the time of the Spanish War and on up through the administration of Theodore Roosevelt, this country was Navy conscious and they were convinced that our safety lay in enough ships with guns on them to defend our coast. When World War No. 1 spread over Europe, the American people were still in this mood and Woodrow Wilson, who certainly was a friend of the Navy, had little trouble in convincing our people or Congress that we must have an adequate fleet to meet the threat from the Kaiser.

But then we all know what happened after the World War. We had the Washington Disarmament Conference in 1922 when we decided to sink or scrap at least a million tons in good American fighting ships, including two brand new battleships already completed, seven battleships and six battle cruisers which were on the ways and building. It cost us some \$75,000,000 to scrap these ships.

Actually, Mr. Speaker, our record on defense is a spotty, erratic history—a history of indecision and confused perception of our responsibility as a Nation with tremendous overseas commitments and the responsibility for the defense of one of the longest coast lines of any nation in the world.

A distinguished physician once remarked, Mr. Speaker, that his only explanation for the survival of the human race was that women forgot childbirth so easily. Similarly it seems to be the same with war: people seem to forget the causes of war which generally turn out to be obvious signs of weakness. A nation unable to defend itself is always a temptation for conquest on the part of others capable of waging war.

On this Navy Day, I would like to leave these thoughts with the people of this great and prosperous country. At the conclusion of this war the United States will, for the first time in its history have the strongest naval power in the world—a circumstance of profound historical significance. It is my earnest hope that when our enemies are crushed, defeated, and disarmed, we will remember and go on remembering that in our sea power lies our security. We must not forget this fact, that the great Navy we have built at such a cost and with such travail is a mighty instrument in our hands for peace as well as for war. It will continue to be until new methods of war and commerce are devised or until man, the rational animal, with God's help, fashions the machinery of rational living and enduring peace.

In conclusion, Mr. Speaker, I would like to remind the people of this country that our present generation of fighting men, the officers and bluejackets who are manning our ships, are displaying a nobleness of fighting spirit and a determination to win and to preserve this country for their children which is as striking and as heroic as any individual or collective acts of heroism preserved in the history books of this Nation. We owe an everlasting debt of gratitude to these men which we will find it hard to repay.

In describing the war which has been carried to the enemy by the American Navy, Mr. Speaker, I do not wish to overlook the officers and men of the Coast Guard who have played such a gallant part in this war, nor the men of the Marine Corps, both of these fighting services serving with the Navy.

In our initial landing on Guadalcanal, for instance, the Coast Guard played an important part in landing the marines who stormed that Jap stronghold; the Coast Guard has been carrying on a continuing battle against submarines in the Atlantic and around our coasts; the Marines, as we all know, have formed the spearhead of our attacking forces everywhere in the Pacific, and have created new and magnificent traditions and records of accomplishments to add to their already-glorious history. More recently, the Coast Guard continued its great record of service to this country by landing many of our fighters on Sicily and the Italian mainland.

I suggest, Mr. Speaker, that the most beneficial way through which we could

express our gratitude for what these men of the Navy, the Marine Corps, and the Coast Guard have been doing would be to guarantee to the best of our ability that they or their children would not be called upon to go through a similar struggle at such a cost in life and waste of material. I would further suggest, Mr. Speaker, that the most practical way we could do this would be to preserve the American Fleet when our enemies are crushed, and use it, as the man whose birthday we are celebrating today wanted to use it—as a big stick to keep down the bullies of the world and insure freedom and the blessings of peace to those who come after us.

Mr. MAGNUSON. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. MAGNUSON. Mr. Speaker, I would be somewhat derelict in my own duty to Congress today, sitting here listening to the distinguished gentleman from Georgia [Mr. VINSON] if I did not stand up—and I know I speak the sentiments of every Member of Congress—and pay tribute to him as chairman of the Committee on Naval Affairs. Today there was inserted in the RECORD a letter from the commander in chief of the United States Navy, Admiral King, in which he paid high tribute to Members of Congress for their unflinching devotion to the wants of the Navy, and of the work that we have done, and to every Member of Congress for what he has done to help win the war. The Navy requires that a great deal of legislative matters be acted upon promptly. I can say, and I know I again speak for all Members of Congress, that no civilian living today has done more, both before the war and during the war, for the United States Navy than has the gentleman from Georgia [Mr. VINSON]. Secondly, I know that Admiral King also refers in his tribute to the distinguished gentleman from California [Mr. SHEPPARD] who as chairman of the Subcommittee on Naval Appropriations has done yeoman work in aiding the establishment of the greatest fleet in the world.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. MAGNUSON. Yes.

Mr. MICHENER. More than that, no living man in America today knows as much about the Navy as does the gentleman from Georgia [Mr. VINSON], the chairman of the Committee on Naval Affairs of the House.

The SPEAKER pro tempore. The time of the gentleman from Washington has expired.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I join with my friend the gentleman from Michigan [Mr. MICHENER] in the very fine and deserving compliment that he has paid to our distinguished friend the chairman of the Naval Affairs Committee. Just one further observation: When

the history of this era and of this crisis is written, the name of the gentleman from Georgia, CARL VINSON, will stand out as one of the most prominent figures of this trying period.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Massachusetts [Mrs. ROGERS] is recognized for 10 minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, the gentleman from Washington [Mr. MAGNUSON], I am certain, has just expressed the unanimous feeling of this House in praising the work accomplished by the chairman of the Naval Affairs Committee, the gentleman from Georgia [Mr. VINSON], together with the other members of this very important and able committee. The gentleman has spoken of the letter of praise and appreciation sent by Admiral King to the chairman of the Naval Affairs Committee. Just a short time ago I was permitted the opportunity of reading this very fine letter from Admiral King.

Admiral King is considered an excellent naval officer, efficient and careful in the conduct of his operations. He shoulders a tremendous responsibility today and is an extremely busy officer. A letter of citation from him at this time, therefore, not only carries weight but brings honor to this House. His praise of the work of the Naval Affairs Committee and the cooperation, help, and constant labor of its distinguished chairman from Georgia not only is a fine tribute for work well done but constitutes an honor for these members for great accomplishment during this day, when every man is trying earnestly to perform his duty for our country. Expressing his appreciation for the cooperation and support of the Navy by the Members of the House is greatly appreciated. In reply to this fine letter I believe I voice the feeling of the House in saying we appreciate the great value to the Navy and to the country of our able naval officer, Admiral King, and the dynamic Secretary of the Navy, the Honorable Frank Knox.

Today is Navy Day. The attention of the people throughout the country, in fact throughout the whole of the civilized world is drawn to the accomplishments of the American Navy. Its great traditions and achievements of days gone by set the pattern for future achievements. Its glorious leadership of earlier days, molded the heroic leadership of today. America has confidence in its Navy. This confidence can only be justified in great ships, courageous officers, brave sailors, molded into the soul of a unit that is determined to strike forever until victory is gained.

In paying tribute to the Navy today, I salute a great and honorable friend of many years. Over a long time I have known its problems, its troubles, its desires. Throughout these many years I have stood solidly in complete support of all of its undertakings, its hopes, its desires. At one time there were only a few of us. Since Pearl Harbor I am proud to say, the membership of this House has unanimously supported the Navy in all of its undertakings. Today, the Congress is proud of the American Navy, the most powerful in the world.

A gigantic task lies ahead. It is almost beyond comprehension, and yet it must be comprehended. It requires a tremendous fleet; sound and accurate judgment based on accurate information; a knowledge of the enemy and his activities, brave, courageous officers and men acting together as a fighting unit. I cannot say how great this job is, but the Navy must know. I can say, and do say, with all my force, the job to be done is so important that it not only compels but commands efficient leadership and challenges that leadership to place in command of every ship and every branch of the naval service the ablest, best qualified, and most highly and competently trained men. There is no room for personal feelings, personal bickerings, personal aggrandizement, internal politics, and personal favoritism. This Congress will not tolerate any such actions, nor any smoke of internal discontent. The Congress wants this war victoriously finished as soon as possible and will vigorously oppose any action interfering with this objective. The best qualified man for the particular job to be accomplished is the ruling principle. There can be no other.

In paying tribute to the accomplishments of the Navy today, I am glad to point out to the Navy that the Congress has not permitted in the past, and will not permit now or in the future, any encroachment on its activities by other departments of the Government or by civilian agencies of the Government. We are well aware of and quite well informed regarding the activities, work, and jobs that must be performed by the military services. We will not permit any interference from any source whatsoever. The Congress knows the character and qualities of the Navy, its officers and enlisted men. The Congress has complete confidence in the Navy and is constantly standing by to help and protect whenever possible its functions and activities. The Congress is eternally vigilant.

In our tribute today, I salute the thousands of officers and men in the United States Naval Reserve. This very important group of men, without which the Navy could not function, made up of young men and older men, have given up everything in most cases, in order to fight beside the regulars for their country. It is a great sacrifice they are making. They have given up their careers. Many of these men will not have an opportunity to take their places again in civilian life.

Many of these men have had but very brief training in the Navy, with all there is they must know and yet have gone out in command of small ships. It is a tribute to the old-line naval officers who have trained them, and a greater tribute to the youngsters who have absorbed that training and who have fought so courageously and gallantly.

When regular naval men enter into the naval service, they enter from the viewpoint of a career and making a life work of it. They know what the future holds for them. But the Naval Reserve men have gone in by the thousands because the country was attacked and they wanted to do their part. They are per-

forming their duties today like line veterans and we are proud of their accomplishments. The Navy owes much, very much, to them. Their loyalty, their good will, constitutes strength for the Navy of the future.

In closing I should like to add my tribute, and praise to the distinguished Naval Affairs Committee for splendid work well done and to its most able chairman for his leadership and statesmanship.

To the great American Navy I salute all it stands for, all it has accomplished, all of its officers, enlisted men, heroes on the high seas, and the determined unnoticed heroes working steadily at their assigned posts of duty.

The SPEAKER. The time of the gentlewoman from Massachusetts has expired.

THE MEAT-PACKING INDUSTRY

Mr. GWYNNE. Mr. Speaker, I ask unanimous consent to address the House.

The SPEAKER. Is there objection?

There was no objection.

Mr. GWYNNE. I ask unanimous consent to revise and extend my remarks and include a brief table.

The SPEAKER. Is there objection?

There was no objection.

Mr. GWYNNE. Mr. Speaker, some time ago the gentleman from Wisconsin [Mr. SAUTHOFF] made some interesting comments regarding a confidential O. P. A. study concerning profits in certain industries, particularly in the meat-packing business.

I hold no brief for the packers, nor in fact for anyone else. There are, however, certain features about the report which deserve further notice.

This O. P. A. report refers to certain figures as "profits before income taxes." We have, I am afraid, brought in some confusion lately by speaking about profits before taxes. To refer to profits without explaining that the figures represent earnings before payment of income taxes creates a distorted and unjustified picture. It would be just as logical to speak of profits before payment of wages or of freight charges. Every large company now has a heavy tax bill to pay. If it did not have a substantial sum on hand to pay its taxes it would probably be bankrupt. Also misleading is that no consideration is given to the fact that in one of the pre-war years, 1938, used by the O. P. A. as a basis of comparison, the meat-packing industry actually operated at a loss.

In 1942 net income after payment of taxes—and other expenses incident to

operating—per pound of meat sold by the industry was a fraction of 1 cent, the average over the 10 years, 1933-42 still being only a fraction of a cent, this including the year 1938 when substantial losses were suffered by the industry as a whole. During the 10-year period 1933 to 1942, inclusive, all manufacturing industries made an average profit of 5.3 percent on sales whereas the meat-packing industry made a profit of only 1.1 percent on sales of every description. In 1942 the volume of sales by meat packers was more than half the volume of sales for all food-manufacturing industries combined, but the volume of earnings in the meat-packing industry was less than one-fourth of that obtained by all food manufacturers combined.

It is unfortunate that the complexities of the meat business are not understood. Some packers handling the entire meat and byproducts line may have a hundred or more different processes, each of which can be, and with some companies is, a separate business. Some of these processes have been profitable—others highly unprofitable, and it follows that those processors handling only the unprofitable items in many cases either have been forced out of business or forced to curtail operations drastically.

Further, many industries have been operating on a cost-plus basis. This is not so in this industry. On the contrary the Government purchases at times have not even taken into account the actual out-of-pocket cost of the meat to the meat packer. So heavy losses instead of profits have been incurred on some of this Government business.

The meat-packing industry is for the most part efficiently operated. Years of experience and the utilization of byproducts have enabled the industry to produce at a very low margin of cost.

The following figures are profits after taxes as percent of net sales:

	1936-39 average	1942
Coca-Cola Co.....	34.7	19.0
E. I. du Pont de Nemours.....	29.7	12.2
General Foods.....	9.7	6
All meat packing.....	.7	1.2
<i>For industries</i>		
All food products, excluding meat.....	4.9	4.2
Automobiles.....	9.7	5.2
Chemicals.....	10.3	4.6
Agricultural implements.....	9.2	6.2

I also include a table showing a comparison of the operations of packers subject to the Packers and Stockyards Act, 1938-42:

Comparison of the operations of packers subject to the Packers and Stockyards Act, 1938-42

	1938, 815 concerns	1939, 830 concerns	1940, 821 concerns	1941, 829 concerns	1942, 815 concerns
Average net worth ¹	\$854,755,193	\$848,523,703	\$858,418,102	\$888,133,497	\$935,745,082
Total income.....	3,408,024,036	3,437,295,584	3,579,582,415	4,566,142,640	6,391,188,253
Total expenses.....	3,406,015,573	3,384,741,059	3,517,096,661	4,478,227,932	6,302,909,349
Net gain.....	2,008,463	52,554,525	62,485,754	87,914,708	88,278,904
Percentage net gain to net worth.....	0.23	6.19	7.27	9.89	9.43

¹ These figures represent the average of the total net worth of all reporting concerns at the beginning and end of their fiscal years.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns tomorrow that it adjourn to meet on Monday next.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 970. An act authorizing the Postmaster General to use post-office clerks and city letter carriers interchangeably.

BILL PRESENTED TO THE PRESIDENT

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 2886. An act to provide for the removal of oysters from the waters of York River and Queen Creek, Va., affected by sewage disposal emanating from the construction battalion, training camp, at Camp Peary, Va., and for other purposes.

ADJOURNMENT

Mr. MAGNUSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock p. m.) the House adjourned until tomorrow, Thursday, October 28, 1943, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INVALID PENSIONS

The Committee on Invalid Pensions will hold a hearing Thursday, October 28, 1943, at 11 a. m., in the committee room, 247 House Office Building, on H. R. 2452, entitled "A bill granting a pension to Oliver M. Abbott," introduced by Representative BUTLER B. HARE, of South Carolina.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the subcommittee at 11 a. m. on Friday, October 29, 1943, on H. R. 2522 and 2832.

COMMITTEE ON THE JUDICIARY

Subcommittee No. 4 of the Committee on the Judiciary will conduct hearings on H. R. 3142, to authorize the appointment of court reporters in the district courts of the United States, to fix their duties, to provide for their compensation, and for other purposes, at 10 a. m. on Tuesday, November 2, 1943, in room 346, Old House Office Building, Washington, D. C.

Subcommittee No. 4 of the Committee on the Judiciary will conduct further hearings on H. R. 2203, to amend the Judicial Code in respect to the original jurisdiction of the district courts of the United States in certain cases, and for other purposes (relative to State income taxes, determination of domicile, etc.), also at 10 a. m. on Tuesday, November 2, 1943, in room 346, Old House Office Building, Washington, D. C.

Subcommittee No. 2 of the Committee on the Judiciary will conduct hearings

on H. R. 786, a bill to amend section 40 of the United States Employees' Compensation Act, as amended (to include chiropractic practitioners) at 10 a. m. on Wednesday, November 10, 1943, in room 346, Old House Office Building, Washington, D. C.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

882. A letter from the Acting Secretary, Department of State, transmitting copies of communications which have been addressed to the president of the Cuban House of Representatives by the presidents of the Chambers of Deputies of the Republic of Chile and Venezuela, concerning resolutions which have been adopted by those legislative bodies providing for special sessions on April 14 of each year; to the Committee on Foreign Affairs.

883. A letter from the Attorney General, transmitting a request for withdrawal of the case of Alexander Frederick Lebel from the group of 256 cases involving suspension of deportation; to the Committee on Immigration and Naturalization.

884. A letter from the Acting Secretary, Department of Agriculture, transmitting the report of the Federal Surplus Commodities Corporation for the fiscal year ended June 30, 1942; to the Committee on Agriculture.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MURDOCK: Committee on Indian Affairs. House Joint Resolution 166. Joint resolution to provide for the disposition of the proceeds to accrue as a result of the interlocutory judgment of the Court of Claims in the suit brought against the United States by the Menominee Tribe of Indians, and for other purposes; with amendment (Rept. No. 804). Referred to the Committee of the Whole House on the state of the Union.

Mr. BULWINKLE: Committee on Interstate and Foreign Commerce. H. R. 3366. A bill to amend section 409 of the Interstate Commerce Act, relating to joint rates of freight forwarders and common carriers by motor vehicle; with amendment (Rept. No. 805). Referred to the Committee of the Whole House on the state of the Union.

Mr. ELLIOTT: Committee on the Public Lands. H. R. 2641. A bill to authorize the acquisition by exchange of certain lands for addition to the Sequoia National Park; without amendment (Rept. No. 806). Referred to the Committee of the Whole House on the state of the Union.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 807. Report on the disposition of certain papers from several agencies of the Federal Government. Ordered to be printed.

Mr. BOREN: Committee on Interstate and Foreign Commerce. Report pursuant to House Resolution 98. Resolution to direct the Committee on Interstate and Foreign Commerce to conduct an investigation with respect to contemplated requirements with respect to the labeling, production, marketing, and distribution of articles and commodities; without amendment (Rept. No. 808). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. J. LEROY JOHNSON:

H. R. 3552. A bill to release reversionary rights of the United States to certain property in Stockton, Calif.; to the Committee on Public Buildings and Grounds.

By Mr. BECKWORTH:

H. R. 3553. A bill to increase certain allowances provided by law for members of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and the Public Health Service; to the Committee on Military Affairs.

By Mr. HOWELL:

H. R. 3554. A bill to amend section 1 (5) of the Interstate Commerce Act, to provide that the established railroad freight rates cover the receipt and delivery of loaded cars at the points of loading and unloading; to the Committee on Interstate and Foreign Commerce.

By Mr. O'CONNOR:

H. R. 3555. A bill to cancel drainage charges against certain lands within the Utah Indian irrigation project, Utah; to the Committee on Indian Affairs.

By Mrs. LUCE:

H. R. 3556. A bill to create an Army and Navy Maintenance Corps, and for other purposes; to the Committee on Military Affairs.

By Mr. O'LEARY:

H. R. 3557. A bill to authorize former members of the armed forces to accept decorations, orders, medals, and emblems tendered them by governments of belligerent nations or other American republics; to the Committee on Military Affairs.

H. R. 3558. A bill to eliminate the practice by subcontractors, under cost-plus-a-fixed-fee contracts of the United States, of paying fees or kick-backs, or of granting gifts or gratuities to employees of cost-plus-a-fixed-fee prime contractors or of other subcontractors for the purpose of securing the award of subcontracts or orders; to the Committee on Expenditures in the Executive Departments.

By Mr. BOREN:

H. R. 3559. A bill to centralize the purchase of paper for printing and binding and blank-book work in the Government Printing Office; to the Committee on Printing.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By M. SIMPSON of Pennsylvania:

H. R. 3560. A bill granting a pension to Anna E. Kent; to the Committee on Invalid Pensions.

By Mr. WEICHEL of Ohio:

H. R. 3561. A bill granting a pension to Miss Mary Welsh; to the Committee on Pensions.

H. R. 3562. A bill for the relief of Edwin R. Samsey; to the Committee on Military Affairs.

By Mr. HAGEN:

H. R. 3563. A bill for the relief of Joseph Brunette; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3257. By Mr. HORAN: Petition of Alma L. Davis and 32 other residents of Spokane, Wash., to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war, by prohibiting the manufacture, sale, or trans-

3288. Also, petition of J. W. Chase and 13 other residents of Spokane, Wash., protesting against the consideration or enactment of House bill 2082 and Senate bill 860, or any other legislation having as its purpose the

reenactment of prohibition by direct or indirect means, for the duration of the war; to the Committee on the Judiciary.

3289. Also, petition of Gordon R. Bimham and 29 other residents of Spokane, Wash., protesting against the consideration or enactment of House bill 2082 and Senate bill 860, or any other legislation having as its purpose the reenactment of prohibition by direct or indirect means, for the duration of the war; to the Committee on the Judiciary.

3290. Also, petition of H. R. Fischuoller and 29 other residents of Spokane and Omak, Wash., protesting against the consideration or enactment of House bill 2082 and Senate bill 860, or any other legislation having as its purpose the reenactment of prohibition by direct or indirect means, for the duration of the war; to the Committee on the Judiciary.

3291. Also, petition of J. H. Abrams and 19 other residents of Spokane, Wash., protesting against the consideration or enactment of House bill 2082 and Senate bill 860, or any other legislation having as its purpose the reenactment of prohibition by direct or indirect means, for the duration of the war; to the Committee on the Judiciary.

3292. By Mr. COCHRAN: Petition of Ralph L. Wathser, Washington, D. C., and 20 other citizens, protesting against the passage of House bill 2082 which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

3293. Also, petition of Albert Baker, of Washington, D. C., and 53 other citizens, protesting against the passage of House bill 2082 which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

3294. Also, petition of A. W. Edwards, of Washington, D. C., and 233 other citizens, protesting against the passage of House bill 2082 which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

3295. Also, petition of S. J. Rappapart, of Washington, D. C., and 12 other citizens, protesting against the passage of House bill 2082 which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

3296. Also, petition of Mrs. Alma Rappaport, of Washington, D. C., and 14 other citizens, protesting against the passage of House bill 2082 which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

3297. Also, petition of Charles Kucham and 99 other St. Louis citizens, protesting against the passage of House bill 2082 which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

3298. Also, petition of William A. Stevens and 24 other St. Louis citizens, protesting against the passage of House bill 2082 which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

3299. Also, petition of Peter W. Senn and 60 other St. Louis citizens, protesting against the passage of House bill 2082 which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

3300. Also, petition of Mrs. Jacob Devus and 40 other St. Louis citizens, protesting against the passage of House bill 2082 which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

3301. Also, petition of Elmer Markway and 54 other St. Louis citizens, protesting against the passage of House bill 2082 which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

3302. Also, petition of F. Hummel and 20 other St. Louis citizens, protesting against the passage of House bill 2082 which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

3303. Also, petition of H. Koenig, Local No. 1, International Brotherhood of Electrical Workers of America, and 20 other St. Louis citizens, protesting against the passage of House bill 2082 which seeks to enact prohibition legislation for the period of the war; to the Committee on the Judiciary.

3304. Also, petition of Andrew Baum and 40 other St. Louis citizens, protesting against the passage of House bill 2082 which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

3305. Also, petition of J. Pfaff and 20 other St. Louis citizens, protesting against the passage of House bill 2082 which seeks to enact prohibition legislation for the period of the war; to the Committee on the Judiciary.

3306. Also, petition of H. Heiligenmann and 20 other St. Louis citizens, protesting against the passage of House bill 2082 which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

3307. By Mr. COFFEE: Petition of W. T. Moorehead of Roy, Wash., and 102 others, protesting against consideration by Congress of House bill 2082 and Senate bill 860, and condemning any other legislation having as its purpose the reenactment of prohibition, by direct or indirect means, for the duration of the war or for any other period; to the Committee on the Judiciary.

3308. Also, petition of the board of trustees of the Seattle Chamber of Commerce, calling attention to the enormous quantity and food value of ocean fisheries, stressing specifically the incalculable benefits provided the Nation by the salmon fisheries of the Pacific Northwest; recalling the antebellum threats to the salmon and general fishing industry of the north Pacific coast by the invasion of Japanese and other foreigners; expressing apprehension at the possibility of such minatory interferences in the future; declaring now is the time to take adequate precautions against invasion by the Japanese and other foreigners; to be provided by the Secretary of State of the United States, with the cooperation of the Washington State delegation in Congress; to the Committee on the Merchant Marine and Fisheries.

3309. By Mr. STEAGALL: Petition of sundry citizens of Dothan, Ala., urging the early consideration and passage of House bill 2082; to the Committee on the Judiciary.

SENATE

THURSDAY, OCTOBER 28, 1943

(Legislative day of Monday, October 25, 1943)

The Senate met at 12 o'clock noon, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our fathers' God, author of liberty, facing in these epic days determined foes who violate every cherished right which mankind has slowly won—and who would turn the wistful eyes of man backward toward the jungle, we thank Thee that more and more even the lurid glare of tyranny is revealing the spiritual glory of democracy as in Thy name it fights for its life. Startle us with the deep meaning for all mankind that a new moment has come in the old story of our planet. Strengthen our determination to seize the day as the full tide is at the flood to sail boldly out to wider seas of human rights.

"Create in us the splendor that dawns when hearts are kind,
That knows not race nor station as boundaries of the mind;
That learns to value beauty in heart, and brain and soul,
And long to bind God's children into one perfect whole."

We ask it in the dear Redeemer's name.
Amen.

THE JOURNAL

On request of Mr. CONNALLY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, October 27, 1943, was dispensed with, and the Journal was approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed the bill (S. 400) for the organization and functions of the Public Health Service, with amendments, in which it requested the concurrence of the Senate.

BLANCHE H. KARSCH, ADMINISTRATRIX OF THE ESTATE OF KATE E. HAMILTON—VETO MESSAGE (S. DOC. NO. 108)

The VICE PRESIDENT laid before the Senate the following veto message from the President of the United States, which was read, and, with the accompanying bill, referred to the Committee on Claims and ordered to be printed:

To the Senate:

I return herewith, without my approval, S. 514, entitled "An act for the relief of Blanche H. Karsch, administratrix of the estate of Kate E. Hamilton."

This bill authorizes and directs the payment by the Secretary of the Treasury to Blanche H. Karsch, administratrix of the estate of Kate E. Hamilton, the sum of \$7,025.60, together with interest on such sum at the rate of 6 percent per annum from November 23, 1939, until the date of payment by the Secretary in full satisfaction of the claim of such estate against the United States for refund of the taxes erroneously paid.

Mrs. Kate E. Hamilton died intestate in Memphis, Tenn., on December 1, 1930. On December 31, 1931, Mrs. Blanche H. Karsch paid an estate tax with interest of \$26,017.15, and on January 24, 1933, paid an additional tax, with interest, amounting to \$1,400.40. Litigation involving the estate was not completed until 1939.

Mrs. Karsch filed a claim for refund on November 25, 1939, which was rejected on December 15, 1939, by virtue of section 319 (b) of title III (Estate Tax) of the Revenue Act of 1926 which provides as follows:

All claims for the refunding of the tax imposed by this title alleged to have been